DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 41 Section 1 February 18, 1927.

HOUSE PASSES MCNARY-HAUGEN BILL

The New York Times to-day reports: "A militant farm bloc cut the ground from under the administration leadership last night and passed the McNary-Haugen farm relief bill in the House of Representatives by a vote of 214 to 178. The bill in the same form was passed in the Senate last Friday, and will be in the hands of the President to-day or Saturday. Belief is general among the leaders in Congress that the President will veto the measure whatever the political consequences, and explain his position in a message critical of the McNary-Haugen plan...."

OPINION ON THE BILL

An editorial in The New York Times to-day says: "Discussion and voting on the McNary-Haugen bill in the House have followed much the same course as in the Senate. Members have reversed themselves without a blush. The farm bloc boastfully asserts that it has now got the political band-wagon running, and that the necessary number of Representatives will eagerly climb aboard. Some are in fear of their political lives. Others are almost avowedly out to make mischief. They wish to cause trouble to the Republican Party and to President Coolidge. Last week we had the report that the Tammany members of the House were going to swing over in favor of the McNary-Haugen bill, partly in the hope of ingratiating themselves with the agricultural West and partly with the motive of embarrassing the President. Whatever the play of political intrigue around the bill may be, there can be only one opinion about the ignoble display in Congress. Representative Garfett of Tennessee, the Democratic leader in the House, declared bluntly yesterday that many members who are now supporting the McNary-Haugen bill were 'submerging their own convictions.' It is reassuring to know that there is one man who can not submerge his convictions. That man happens to be the President of the United States. Though we call him the Chief Executive, he is also a part of the law-making power....Others may be guilty of avoidance or dodging, but it is impossible to imagine a President of the United States consenting to submerge, in so vital a matter, his own strong convictions."

An editorial in to-day's Baltimore Sun says:"....It has been perfectly plain throughout the debate on the bill that Senators and Congressmen who voted against it and defeated it last year have not been won over to it by argument. Many of them frankly admit that they are going along because 'something must be done' for the farmer. Cloakroom pressure, political pressure, belief that the President would veto it, or the courts declare it unconstitutional, have swung into line votes of members who do not hesitate to express their doubts as to the merits of the bill. As for the rank and file of farmers, it is impossible to believe that there can be among them accurate understanding of so confused and intricate a piece of legislation that few members of Congress attempt to discuss it intelligently...."

DEPARTMENT INFORMATION SOUGHT

Senator Nye of North Dakota yesterday introduced a resolution requesting the Secretary of Agriculture to inform the Senate what, in his judgment, caused the reduction in value of exports of food products and what the department is doing to stimulate foreign consumption of agricultural products.(Press, Feb. 18.)

Section 2

Crop Financing An editorial in The Journal of Commerce for February 17 says: "Current Washington dispatches indicate that the Department of Agriculture is interesting itself in a direct and definite way in the question of credit for growing next year's cotton crop, or possibly crops to occupy acreage usually devoted to cotton. The subject is a very interesting one, but not from just the point of view that seems to dominate the activity of the authorities at Washington. There is no reason whatever for believing that the ordinary credit institutions throughout cotton growing districts with the aid, of course, of city connections, can not afford the cotton planter or the general farmer in the Cotton Belt all the credit that he can wisely use for production purposes next season. One does not have to do much reading between the lines to arrive at the conclusion that the main objective of investigations now going forward is to determine whether the farmer needs or can be pleased with offers of special aid of one sort or another in the form of credit. The general subject of credit for southern crops during the coming season is, however, of substantial importance, for the simple reason that the acreage devoted to cotton or for that matter to a good many other crops will in larger measure than is currently appreciated be determined by the amount of money bankers and others with surplus money think ought to be trusted to producers of these crops. One caution is to be expressed in this connection in view of the interest now being shown by the Department of Agriculture. It is this: If by any chance those in political power in Washington were to arrive at the opinion that by use of public funds for extending credit to cotton farmers or would-be cotton farmers this year political capital was to be created, a situation might easily arise that would remove one of the most salutary checks on cotton acreage during the approaching season."

Dairy Product Advertising An editorial in The Dairy Record for February 9 says: "The evaporated milk industry utilizes less than 4% of the total production of milk. The butter industry uses nearly 38% of the total annual production. Yet, last month the Evaporated Milk Association, at its annual meeting, approved a program for a half million dollar advertising campaign to set forth the merits of its product. This is several times more than the entire dairy industry is spending to tell the consumers of the value of milk and butter and cheese and ice cream, although the latter branch is now raising a fund for this purpose...."

Fruit via Railroad An editorial in The Pennsylvania Farmer for February 12 says: "Eastern railroads handled a greater volume of fruit during the shipping season recently closed than ever before. In the marketing period last fall,--August, September, October and November,--the railroads delivered 59,199 cars to New York, 9,372 to Philadelphia and 2,774 to Baltimore. This is a total of 71,345 cars of fruit for the three principal markets in this territory, as compared with 59,113 during the same season in 1925. This is an increase of 20 per cent in the amount of fruit reaching these consuming centers by rail. On the basis of these figures it is not hard to explain the unsatisfactory prices that have prevailed this year."

Lumber Conditions

Theodore M. Knappen is the author of a comprehensive article entitled "How Lumber Reconciles Group Cooperation with Subgroup and Individual Competition" in The Northwestern Miller for February 9. He says in part: "The lumber manufacturing industry, after going through a period of bewilderment as to what was the matter with it, and conflicting counsels and indecision as to how to cure the trouble, whatever it was, has recovered and achieved a decision....The lumber industry now enters upon the curious, and in a sense unique, experiment of a vigorous trade extension campaign for lumber as a whole, superimposed upon at least half a dozen competitive regional campaigns for lumber species; which, in turn, are superimposed upon hundreds of vigorously competitive campaigns for individual products. While the lumber industry has been bracing itself to the point of conducting a trade warfare on modern lines, it has seen its total production sink from a maximum of 45,000,000,000 to 35,000,000,000 feet of lumber a year, and per capita consumption fall from 500 to 330 feet. At the same time the capacity of the mills has enormously increased. It is realized that ultimately the consumption of lumber per capita must be permanently smaller than it was 20 years ago, but the industry is determined to fight its way against a host of competing materials to where it can profitably dispose of the output of 30,000,000,000 to 40,000,000,000 feet of lumber a year that the state of the mature forests and the capacity of the mills make presently desirable."

McNary-Haugen Bill

An editorial in The Baltimore Sun for February 17 says: "Congress is being warned that it will need to put the Army and Navy back of the McNary-Haugen bill to collect an equalization fee on wheat. It may not be so bad as that, but southern Congressmen who vote to tax cotton to bring about 'orderly marketing' are likely to hear something when collection day comes....The great dairy interests, which will be called upon pay higher prices for every bushel of feed, will also be interested in fixing responsibility for their plight.... If the bill becomes a law, millions of farmers, taxed against their will and wish, will join the cotton planters and demand to know of their Representatives also 'Who asked you to do what?'"

Oil Production

The production of oil in the year 1926 is estimated to have totalled 1,067,255,000 barrels as compared with 1,065,769,000 barrels in 1925. The United States contributed 754,000,000 barrels to this production in 1926 and 763,743,000 barrels in 1925, according to advices received by Bankers Trust Company of New York from its British information service. From 1912 to 1919, the yearly increases in the production of oil were 9%; 4%; 7%; 8%; 10%; 2% and 8% respectively. From 1919 to 1920 came the amazing increase of 26%, in the following year 12%; in 1921 to 1922 9%; 1922 to 1923 18%; in the following year there was a small decrease of 0.6% and from 1924 to 1925 an increase of 5% while the increase in the past year was only 0.2%. Mexico stands prominently as easily the second in the list of oil producing countries in the world having produced in the past four years--in 1923, 149,585,000 barrels; in 1924, 139,497,000 barrels; in 1925 114,827,000 barrels and in 1926, 90,000,000 barrels. The steady decrease from over 180,000,000 barrels in 1921 to under 100,000,000 barrels in 1926 is believed to be indicative to some extent of the troubled politics of the country rather than of an exhaustion of its oil resources. English authorities believe that in

future a larger percentage of the world's supply of oil is coming from countries other than the United States and Mexico and that relatively the production of these fields in these two countries will tend to decrease while the production of the South American fields will tend to increase. They also point out the possibility that with the improvement in economical methods oil produced by destructive distillation of low-grade coals and oil shale will in time be able to compete with crude oil.

Oleomargarine Legislation

An editorial in The Dairy Record for February 2 says: "During the past few weeks a number of creamery operators located in Minnesota and Iowa, where National Dairy Council campaigns are now being carried on, have written to us requesting enlightenment as to why legislation which either prohibits the manufacture or sale of oleomargarine or which places a heavy tax upon it is not deemed advisable. Their letters state that, in discussing the need of butter publicity campaigns, patrons often ask why the need of such work could not be minimized if such legislation were adopted. Most of these operators expressed the opinion that such legislation is inadvisable, but desired information as to the experience of the industry in dealing with this question....There are objections to such legislation from a legal, moral and commercial standpoint. From a legal point of view, the anti-oleomargarine laws of this nature would constitute class legislation, for our courts hold, and rightly so, that no man shall have the right to put a legitimate competitor out of business through legislative action. The dairy industry knows that from an economic and dietary standpoint butter is far more valuable than margarine, but this does not gainsay the fact that the manufacture of such margarine is a legitimate enterprise, and the sooner the dairy industry ceases to indulge in pious platitudes and desists from hurling abuse at any one who has the courage to tell truths which are good for the soul, the sooner will it be in a position to check the encroachments of the so-called substitutes effectively. That attempts to legislate oleomargarine out of business constitute class legislation is attested by the fact that, where adopted, such legislation has been overthrown by the courts...."

South and Farm Aid

An Associated Press dispatch from Louisville, Ky., says: "In a compendium of opinion of college and university executives on farm relief, which it published February 14, the Courier-Journal states that the majority believe that agricultural regeneration in the South must come through the farmers themselves without the aid of legislative artifices. The expression of opinion compiled by the paper as a whole urges reorganization of the present credit system, which is blamed for the one-crop method. Although cooperative marketing with its problems was the subject of the Courier-Journal's original request for university statements, practically all of the professors who in their replies touched on guarantees or subsidies viewed any method of 'price fixing' as simply inviting overproduction. Economically unsound, was the general verdict...."

Wheat Exports

A Budapest dispatch to the press of February 16 says: "The reported dumping of American wheat on the European market is causing much anxiety here, where it is feared it will greatly handicap local grain exports. Italian and Czechoslovak dealers who purchased future

supplies here several months ago are, it is stated, already offering this wheat for resale on the Budapest market, as they are now able to purchase more cheaply from America. The papers demand that the Government take measures to help the Hungarian farmers similar to the American farm relief law. Reports from Belgrade indicate that the grain situation is much the same in Yugoslavia."

Section 3

MARKET QUOTATIONS

Farm Products Feb. 17: Maine sacked Green Mountain potatoes $2.45 to $2.85 per 100 pounds in eastern cities; bulk stock $1.95 to $2 f.o.b. Presque Isle. New York apples steady. Baldwins ranged $3 to $4.25 per barrel and Rhode Island Greenings $3.50 to $4.75 in city markets. Eastern Staymans $2 to $3.50. Midwestern yellow onions firm in Chicago but 15¢ to 25¢ lower elsewhere, closing at $2.25 to $3 sacked per 100 pounds. Florida pointed type cabbage $1.25 to $1.50 per 1 1/2 bushel hamper in the East. New York Danish type $15 to $23 bulk per ton in terminal markets; $10 to $11 f.o.b. Rochester.

Chicago hog prices closed at $12.10 for the top, beef steers are steady to slightly higher, heifers and cows are practically steady, vealers are 50¢ lower on the better class to $1 lower on the cheaper grades; heavy calves are 25¢ lower on better grades and 50¢ higher on lower classes. Stocker and feeder steers are steady to 15¢ higher for the week. Fat lambs are steady to 50¢ higher and other classes of sheep and lambs weak.

Closing prices on 92 score butter: New York 52¢; Chicago 51¢; Philadelphia 52 1/2¢; Boston 52¢.

Grain prices quoted February 17: No.1 dark northern Minneapolis $1.39 to $1.46. No.2 red winter Chicago $1.34. No.3 red winter Chicago $1.30. No.2 hard winter Chicago $1.40; Kansas City $1.38. No.3 mixed corn Chicago 70¢; Kansas City 69¢. No.3 yellow corn Chicago 71¢; Minneapolis 72¢; Kansas City 72¢. No.3 white oats Chicago 41¢; Minneapolis 44¢.

Average price of Middling spot cotton in 10 designated markets advanced 6 points, closing at 13.50¢ per lb. March future contracts on the New York Cotton Exchange advanced 2 points, closing at 13.79¢, and on the New Orleans Cotton Exchange they advanced 8 points, closing at 13.86¢. (Prepared by Bu. of Agr. Econ.)

	Average closing price	Feb. 17,	Feb. 16,	Feb.17,1926
Industrials and Railroads	20 Industrials	157.97	157.41	160.05
	20 R.R.stocks	128.47	126.71	110.76

(Wall St. Jour., Feb. 18.)

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DAILY DIGEST

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Vol. XXIV, No. 42 Section 1 February 19, 1927

THE FARM AID BILL The Washington Post to-day reports: "President Coolidge yesterday was advised by his Cabinet to veto the McNary-Haugen farm relief bill chiefly on the ground that it is a price-fixing measure and economically unsound. The bill, which was passed by the Senate last week and by the House Thursday night, was the subject of discussion at a protracted session of the Cabinet yesterday. The President had asked for opinions on the bill from Attorney General Sargent, Secretary of Agriculture Jardine, Secretary of Commerce Hoover and Secretary of Treasury Mellon as experts on the constitutional and economic problems in connection with the legislation, and from Secretary of State Kellogg as a representative of the corn and wheat belts where the price stabilization plan embodied in the bill was conceived and developed. These opinions were given to the President at the Cabinet meeting. Secretaries Mellon, Jardine and Hoover are understood to have taken the leading part in the discussion. Mr. Mellon contended that the operation of the price boosting plan would have a disastrous effect on the country....Secretary Jardine later in the day told a farm delegation that he had not the remotest notion of what action the President intends to take on the bill. If it should become a law Mr.Jardine will do his utmost to administer it so as to accomplish the results aimed at, he assured the committee. After the meeting with his advisers Mr. Coolidge authorized the statement that he had discussed the McNary-Haugen bill with member of his Cabinet and that when the measure reaches him he will consider it in the same manner that he considers other bills....So far as could be learned, the President did not indicate at the Cabinet meeting whether he contemplates approving or vetoing the bill...."

R.V.Oulahan, writing on the bill in to-day's New York Times, makes the following statement:"....While divergent argument over the action the President will take was rampant yesterday, those in a position to know the President's mind are confident that he will veto the measure. The New York Times correspondent has reason to believe that the President's disapproval is assured already, although such a statement can not be made in a public way in any authoritative quarter...."

SENATE APPROVES RADIO MEASURE The press to-day reports that the long fight over the radio control bill ended yesterday when the Senate agreed to the conference report without roll call. The measure now goes to the President, who is expected to sign it next week. At the same time it is understood he will send to the Senate the names of five persons who will make up the commission created by the act.

The 1912 act for regulation of radio communication, the joint resolution of June 5, 1920, authorizing operation of Government-owned radio stations for the general public and the joint resolution of December 8, 1926, limiting the time for which licenses for radio transmission may be granted, are all repealed. The new law will be administered for one year by a Presidential commission of five, with the Secretary of Commerce acting in an administrative capacity and after that by the Secretary, except as to revocation of licenses and controversial matters which would be referred to a permanent commission.

Section 2

Corn Borer

1 An editorial in The Wisconsin Agriculturist for February 12 says: "That the European corn borer is a terrible scourge to growers of the United States and Canada is apparent to all who have seen the ravaged fields where the pest has wrought ruin to the crop....Some growers see a brighter side to the threatening cloud. They suggest that the methods of control may bring about a better plan of production--a less wasteful method of making use of this great American crop. A letter from one Corn Belt farmer illustrates this idea of a new era in corn growing. He states that there is more feed wasted in his county than is needed to winter all the livestock fed there. Straw and corn fodder are scattered all over the fields and become of no value after snow falls....Reasoning from this, there is a chance that the progress of this corn crop enemy may result in a general clean-up of fields and a better use of this valuable crop. This is what these men mean when they speak of the possibility of better methods resulting from the corn borer scourge...."

2 The Price Current-Grain Reporter for February 16 says in an editorial:"...No one of course knows just how much damage the borer might eventually do and as the fight is now on, with an initial national appropriation of $10,000,000 behind it, the wise thing to do is for every man in the grain trade as well as every farmer to give whole-hearted cooperation to every preventive measure put out by either State or National Governments. Some of these measures may prove burdensome and some of them may seem very unreasonable, but the pest must be driven out of the country if that is possible of accomplishment and half-way measures and evasion will not do. Splendid buildings are sometimes dynamited to stop the spread of a fire, the idea being to render the greatest good to the largest possible number of people, and the same principle holds good in the war on the corn borer."

Department Building Plans

The Washington Post of February 18 reports that the Fine Arts Commission, in conference with Louis Simon, chief of the office of Supervising Architect of the Treasury, and John H. Rankin, Philadelphia architect, relative to completion of the central portion of the Department of Agriculture building, planned for the south side of the main building on the south side of the Mall between Twelfth and Fourteenth Streets, learned that $2,000,000 made available by recent public building legislation was not sufficient for a building with dome of cupola type. The report says: "Although the commission has always favored completion of this part of the building by an approved plan providing for a dome, the architect's findings prevent this. On inspecting further studies providing for a building harmonious with the two existing wings and surmounted with a 'crown mass' or rectangular cap and skylight such as that of the Lincoln memorial, commissioners were agreeable to the modification, feeling it will carry out the dome idea. The arrangement still makes possible a display of plants planned in connection with the original idea."

Farm Tractors in Turkey

An Associated Press dispatch from Constantinople February 18 states that to encourage the development of scientific farming, the Turkish Government has agreed to pay 50 per cent of the cost of every tractor bought by Anatolian farmers. The Government will also

pay 40 per cent of the cost of tractors already bought by farmers on the installment plan and not yet paid in full. The report says the use of machinery is considered essential to counteract the paucity of man power in Anatolia. Due to the sparsity of the population, about one-fifth of Turkey's arable land is at present being worked.

Firestone on Rubber

In a press interview in Washington February 17 on his Liberian rubber venture, Harvey Firestone expressed the belief that England's rubber monopoly would be broken within 10 years. He declared already he has 10,000 acres in Liberia cleared, 5,000 planted and 2,000 producing. He said 100,000 pounds of rubber are shipped from the concession each month to Akron, at a gross cost of 14 cents a pound. Rubber is bringing 38 cents on the open market, A similar project would be carried forward in the Philippines, he said, were it not for their land law restricting concessions to 2,500 acres. He declared if this condition were remedied he would establish rubber plantations in the islands.

Grain Rate Cut

The press February 18 reports that the Interstate Commerce Commission, with three members dissenting, decided February 17 that the proposed reduced proportional joint rates from Minneapolis and Duluth, Minn., and points grouped therewith, applicable over the Minneapolis & St.Louis and the Minneapolis, St.Paul & Sault Ste. Marie Railroads and their eastern rail connections to points in trunk line and New England territories, on grain and grain products, in carloads, originating in Montana, North Dakota, South Dakota and northwestern Minnesota, were not justified and ordered them canceled. The reduction sought amounted to about 6 cents per 100 pounds. The commission stated that the proposal represented an effort on the part of the applicants to secure some of the traffic now moving from the affected territory over rail, lake-rail routes, through Duluth and Buffalo, N.Y. The present all-rail rate on wheat from Minneapolis and Duluth to New York is 43 cents, made up of 13 cents to Peoria and 30 cents beyond, while the proposed rate would be 37 cents. The opposition to the proposal came from grain and milling interests of Duluth, from Missouri River cities, from St.Louis, Chicago, Milwaukee and Buffalo; from Kansas, Missouri, Oklahoma, Oregon, Washington, Idaho; from the central and truck-line territories; from the State commissions of several of the States mentioned and from the carriers of the eastern group. The commission held that approval of the proposed rates would lead directly to a disruption of the grain rate structure, have marked effects on marketing and distribution and of necessity impair the revenues of the carriers and their ability to render satisfactory service.

McNary-Haugen Bill

An editorial in the Journal of Commerce for February 18 says: "....Most reasonable farmers and farm advocates say that they do not like the farm relief bill and that they think it is carelessly drafted in a way that is practically impossible of application even if 'constitutional,' which is open to the gravest of doubts. Those who have fought hardest for the bank bill say that there are a good many provisions in it that they could have wished to see omitted, and to which they have been persistently opposed. Their yielding on these points has been due to a desire to get certain provisions

enacted into law. Whether the game has been worth the candle from their standpoint they can best judge. What is certain is that in both measures, as is freely admitted on all sides both by partisans and opponents, a great deal of bad legislation has been sent to the statute books....."

Prices

A slight decline in the general level of wholesale prices in January as compared with the preceding month is shown by information collected in representative markets by the Bureau of Labor Statistics of the U.S. Department of Labor. The bureau's weighted index number, which includes 404 commodities or price series, registered 146.9 for January compared with 147.2 for December, a decline of two-tenths of one per cent. Compared with January, 1926, with an index number of 156.0, there was a decrease of more than 5-3/4 per cent. In all groups of commodities included in the comparison, except farm products and miscellaneous commodities, there were decreases in the price level from December to January, ranging from three-fourths of one per cent in the case of clothing materials to 4-3/4 per cent in the case of chemicals and drugs. Farm products, owing chiefly to small increases in cattle, hogs, sheep, and poultry, also cotton, hides, and potatoes, showed a general increase of approximately 1-3/4 per cent over prices in December, 1926. Practically no change in the general price level was shown for the group designated as miscellaneous. Of the 404 commodities or price series for which comparable information for December and January was collected, increases were shown in 97 instances and decreases in 153 instances. In 154 instances no change in price was reported.

Production Regulation

An editorial in The Southern Agriculturist for February 1 says: "Farmers' marketing organizations have experimented somewhat with crop holding. Some of them have worked at increasing the demand for their products. Practically none has yet been in position to have much to say about the regulation of production. Yet the ability to prevent overproduction is one of the goals toward which all large cooperative marketing associations will have to strive. It will not be an easy goal for any of them to reach; but it is not an impossible goal. Unless it can be at least approached, most cooperatives must be prepared to sell their commodities just about as those commodities are produced and must give up the hopes so many of them have had of being able measurably to stabilize prices from year to year. With perishable products the attempt to maintain prices must be devoted largely to the increase of demand. Holding, except in an indirect way, is usually impossible....Summing up, some regulation of production is essential to anything like stabilization of prices from year to year. Overproduction of any commodity can be kept from unduly breaking the price of that commodity only by holding the excess production off the market; and holding can be effective, or even safe, only when there is possibility of so reducing future supply as to absorb that excess. The road to effective regulation of production efforts may be a long and hard road to travel; but it is a road on which organized agriculture must set out. Effective disposal of an excess supply of any farm product is not an easy thing to achieve; it calls for something much more fundamental than the mere 'taking of the surplus off the market,' for a few weeks or months."

Section 3
MARKET QUOTATIONS

Farm Products Feb. 18: Maine sacked Green Mountain potatoes $2.40 to $2.85 per 100 pounds in eastern markets; bulk stock $1.90 to $1.95 f.o.b. Presque Isle. New York Rhode Island Greening apples $3.50 to $4.75 per barrel in city markets; $3.85 to $4 f.o.b. Rochester. Baldwins $3 to $3.50 in the East. Florida pointed type cabbage $1 to $2 per 1 1/2 bushel hamper. Texas domestic mostly $2 to $2.50 per barrel crate.

Chicago hog prices closed at $12.25 for the top; beef steers range from steady to 25¢ higher, heifers and cows practically unchanged. Vealers range from 50¢ lower on the high end of the range to $1 lower on the low end; heavy calves lost 25¢ on the better grades but gained 50¢ on the lower classes. Stocker and feeder steers are steady to 15¢ higher. Fat lambs and yearling wethers gained 75¢ while fat ewes and feeding lambs remained steady with a week ago.

Closing prices on 92 score butter: New York 52 1/4¢; Chicago 52¢; Philadelphia 53¢; Boston 52¢.

Grain prices quoted February 18: No.1 dark northern Minneapolis $1.40 to $1.47. No.2 red winter Chicago $1.34. No.3 yellow corn Chicago 71¢; Minneapolis 71¢; No.3 white oats Chicago 44¢; Minneapolis 44¢.

Average price of Middling spot cotton in 10 designated markets advanced 3 points, closing at 13.53¢ per lb. March future contracts on the New York Cotton Exchange advanced 10 points, closing at 13.89¢ and on the New Orleans Cotton Exchange they advanced 3 points, closing at 13.89¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Feb. 18,	Feb. 17,	Feb. 18, 1926
	20 Industrials	158.56	157.97	161.09
	20 R.R. stocks	129.16	128.47	110.60

(Wall St. Jour., Feb. 19.)

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Vol. XXIV, No. 43 Section 1 February 21,1927.

THE FARM BLOC AND THE PRESIDENT The New York Times of February 20 says: "The aftermath of the passage of the McNary-Haugen Farm Relief bill, which was placed before President Coolidge February 19 for his action, promises to develop an intense factional fight in the Republican Party, according to the farm bloc leaders, who expect Presidential disapproval of the bill and are preparing for retaliatory acts against the conservative faction in the party and its probable candidate for the Presidency. While officials of the American Farm Bureau Federation were urging President Coolidge February 19 to sign the McNary-Haugen bill, the farm bloc in Congress and the national representatives of other farm associations were reported preparing for a political warfare that may begin very soon....."

HOUSE APPROVES ARBORETUM BILL The House February 19 passed without a record vote a bill providing for the establishment at Washington of a national arboretum. It now goes back to the Senate for concurrence in House amendments. The measure authorizes the use of property now owned by the Government and adjacent property to be acquired at a cost not to exceed $300,000 along the Anacostia River north of the Benning Bridge for research and education in tree and plant culture. It is to be administered by the Department of Agriculture but it is to be administered separately from the horticultural agencies now maintained by the department. (Press, Feb. 20.)

THE SECRETARY ASKED ABOUT FARM INSURANCE Secretary Jardine would investigate the feasibility of Government insurance to farmers against drought and storm, under a resolution offered February 18 by Senator Bruce of Maryland, according to the press of February 19.

THE RADIO BILL Declaring that the new radio bill passed by the Senate Friday and now awaiting President Coolidge's signature is not perfect and may need amendment as new problems arise, Senator Dill, of the State of Washington, coauthor of the bill February 19 said that its provisions would enable the new national radio commission to end the chaos of the air and at the same time guarantee listeners in all sections of the country good radio service. "The Magna Charta of the radio listeners in the new bill just passed by Congress," said Senator Dill, "is to be found in the provisions which make public service the basis for granting, refusing and revoking of radio broadcasting licenses and the further provision directing that licenses shall be so distributed as to give each community fair, efficient and equitable radio service. Since no license can be issued for more than three years, and any license may be revoked whenever the licensee violates the terms of the license or is guilty of practices that would justify the commission in refusing a license, it is safe to say that we have fully protected the public interests...." (Press, Feb. 20.)

Section 2

Cattle Exports to South America

The Pacific Dairy Review for February says: "Dr. H.E.Torgersen, Director of the Dairy Products Laboratory of San Francisco, reveals the interesting information that the Pacific Coast of America is stocking the farms of Colombia, South America, with dairy cattle..... These cattle will cost close on to $500 per head on arrival at their destination. It is a six-weeks' journey,--first by train to New Orleans, then boat to Colombia, then another boat up the river and railroad again, over the falls into the plantation, which is at an elevation of between 6,000 and 7,000 feet...."

Cotton Harvesting Methods

An editorial in The Wall Street Journal for February 18 says: "A new harvesting method looms into prominence in the cotton world. Arising from the peculiar conditions existing in the semi-arid regions of Texas and Oklahoma, this method consists of the use of a sled made of runners fitted with fingers of steel or wood into which the stalks of the cotton plants slide and are stripped of the burs. In the next few years the new method may have a far-reaching effect on the amount and distribution of cotton acreage in the United States and in the rest of the world....A link has always been missing in the chain of inventions that led to the expansion of the cotton industry during the last century and a half, beginning with Hargreaves' spinning jenny in 1764, followed by the other familiar inventions of the industrial revolution, and in the past five years by new machinery for cleaning cotton, and by two and four-row tillage machines and planters. The missing link in the chain of inventions--a machine to do away with hand picking--has always acted as a brake on expansion of the cotton industry, swift as that expansion has been. In all the development of over a century and a half, and for thousands of years before, cotton has been gathered by hand pickers, who go over the fields time after time to take the cotton off as it gradually matures into the bottom, middle and top crops. In the United States, the scarcity of labor and its immobility have always slowed up the movement westward of cotton growing into virgin soil. There are at least 15,000,000 acres of this land left in west and northwest Texas that could be planted to cotton of a growth suitable for 'sledding.' A combination of this method of harvesting with labor-saving machinery for tilling and planting, and the new machinery for cleaning cotton should make the expansion rapid of cotton growing into this new, cheap land. These developments in cotton production will bear watching by those who are concerned with anticipating major price trends during the next few years."

Cotton Utilization

An editorial in The Millers Review for February says: "Steadily forward goes the trade movement to increase in general the uses of cotton and, in particular, to substitute it for burlap. Not only in the South but throughout the United States the idea of giving preference to a native product than its foreign challenger appeals to an ever-widening circle of buyers....Touching one of the textile phases of the 'Use More Cotton' campaign, the New York Journal of Commerce says: 'A study is being made to determine the best standards of cloths to use to meet competition of specific constructions of burlap for given uses. Sales of osnaburgs have increased four hundred

thousand yards weekly over those of recent years due to the larger use of standard constructions in place of burlaps and the substitution has only just begun. Mills are beginning to use more cloth bagging in place of burlap for wrapping bales of cloth. Bag manufacturers are continuing experiments with various cloths of coarse yarns to replace burlap. It is proposed to make more cloths of heavy cotton yarns to be used exclusively for bag purposes and to determine the best constructions to establish.' While the mills can do much and are heartily to be commended for what they are undertaking, the ultimate factor in the success of such efforts is the consumer. When the rank and file of buyers make known their preference for cotton in place of jute for such purposes as both commonly serve, then will the results become highly and permanently important."

Food Prices The retail food index issued by the Bureau of Labor Statistics of the United States Department of Labor shows for January 15,1927, a decrease of one and a half per cent since December 15, 1926; a decrease of three per cent since January 15, 1926; and an increase of a little more than sixty-two per cent since January 15, 1913. The index number (1913 = 100.0) was 164.3 in January, 1926; 161.8 in December, 1926; and 159.3 in January, 1927. During the month from December 15, 1926 to January 15, 1927, 21 articles on which monthly prices were secured decreased as follows: Strictly fresh eggs, 14 per cent; oranges, 5 per cent; storage eggs, 4 per cent; pork chops, butter, oleomargarine, lard and rice, 2 per cent; bacon, ham, leg of lamb, canned red salmon, fresh milk, navy beans, canned corn, canned peas, coffee, prunes and bananas, 1 per cent; and vegetable lard substitute and macaroni, less than five-tenths of 1 per cent. Ten articles increased: Cabbage, 12 per cent; onions, 10 per cent; hens and granulated sugar, 3 per cent; plate beef, cheese and tea, 1 per cent; and sirloin steak, rib roast and wheat cereal, less than five-tenths of 1 per cent. The following twelve articles showed no change: Round steak, chuck roast, evaporated milk, bread, flour, cornmeal, rolled oats, corn flakes, potatoes, baked beans, canned tomatoes and raisins.

Horses Displace Motors in London An Associated Press dispatch February 19 from London says: "Taxation is putting the lowly horse back into style in London, displacing the automobile. One firm now has sixty more horses than before the war, and is still displacing mechanical vehicles with horses whenever there is an opportunity. A good 'vanner' now can be bought for 40 pounds, and will do comfortably anything up to 150 miles per week. A single horse can be kept nowadays for 1 pound to 25 shillings a week, and in a big stable this can be reduced to 15 shillings. With care, a horse doing ordinary work should serve for fifteen years. Horses have been found more economical than motor vehicles."

Packers' Direct Buying An editorial in Wallaces' Farmer for February 18 says: ".... The question before the livestock producers of the Corn Belt is not whether such a condition is desirable. We all admit we would like to have a different situation. The only question is: How can the menace of direct buying be met? Our view has been that only by playing the packers' own game could the farmers hope to offset this

attack. The establishment of cooperative concentration points closely tied up with the terminal marketing agencies and with the local cooperatives, would go a long way toward neutralizing the effects of direct buying by packers, and would also lay the foundation for a vastly more effective program of cooperative selling than we now have. We believe that the federation of local shipping associations into a county federation, and the grouping of county federations into an organization ready to get behind a cooperative concentration point, furnish the way to handle this situation. The terminal commission firms ought in their own interests, as well as in the interest of livestock producers in general, to help as much as they can on the working out of this program...."

Ukraine to Open Farming College

Walter Duranty, writing from Moscow to the press of February 15, says: "An interesting educational experiment has just been launched with the signing of an agreement between Dr. Charles Kuntz, who is said here to represent the American Polytechnic University of California, and the education department of the Ukrainian Government. The purpose of the agreement is to solve the problem of higher education for the masses by providing university education without cost to students or State. The project consists in the establishment of a combined agricultural college and modern farm to be worked by the students so that their education will make the farm profitable and the profits from the farm will pay for their education...."

Section 3

Department of Agriculture

An editorial in The Millers Review for February says: "A recent petition to the Secretary of Agriculture to change the present method of grading garlicky wheat has brought forth a vigorous protest from the Soft Wheat Millers' Association, which states that its members have purchased wheat for many years on the basis of the present grades and have found them to be satisfactory. Elsewhere in this issue is published a number of reasons why the Soft Wheat Millers' Association considers the proposed change to be detrimental. One of the strongest arguments set forth in opposition to the proposed change is that soft wheat millers are making a concerted effort to get farmers to adopt methods for the elimination of garlic, and the farmers will not cooperate unless there is a penalty on garlicky wheat. It is pointed out that if the proposed change is adopted, the farmers who raise good wheat would not be rewarded and the farmers who do not raise good wheat would not be penalized. Also, that a change in the grade would mean the virtual elimination of wheat production from southern Illinois eastward and southward and that with wheat production in this country rapidly approaching a domestic basis, it is vital that our wheat-producing areas be maintained in the interest of public welfare. It is suggested that a committee be appointed by the Secretary of Agriculture and that a visit be made to a mill grinding garlicky wheat. The case of the opposition to the petition, in addition to the reasons cited, is well summed up in the statement that 'if such a committee will note the smell, the extra labor, the delay in operating due to necessary stops to wash the rolls, there would be no question about a discount being necessary on garlicky wheat.'"

Section 4
MARKET QUOTATIONS

Farm Products For the week ended Feb. 19: Livestock quotations at Chicago: Top price of hogs $12.25 is 15¢ higher than yesterday's top. Compared with a week ago weighty steers are 25¢ higher, yearlings and light weights 25¢ lower; heifers are about steady and cows strong. Stocker and feeder steers are strong to 15¢ higher. Fat lambs 50 to 75¢ higher, yearling wethers 50¢ up and fat ewes and feeding lambs about steady with a week ago. New York wholesale fresh meat market, western dressed, good grade meats, steady on steer beef and mutton, steady to $1 higher on veal and lamb, $3 higher on light pork loins and $1 lower on heavy loins, compared with a week ago.

The prevailing undercurrent of the potato market is slightly weaker, though actual declines in price were few. Maine sacked Green Mountains ranged $2.50-$2.85 per 100 pounds in eastern cities and bulk stock sold at $1.90 f.o.b. PresQue Isle. Apples fairly steady. New York Baldwins $3-$3.75 in eastern markets; cold storage stock $3.65-$3.75 f.o.b. Rochester. New York Rhode Island Greenings $3.50-$4.75 in the large cities. Cabbage irregular, $10-$11 f.o.b. Rochester. Midwestern yellow onions firm in Chicago at $2.75-$3 sacked per 100 pounds but 10¢-50¢ lower in other consuming centers.

Average price of Middling spot cotton in 10 designated markets advanced 1 point during the week, closing at 13.46¢ per lb. March future contracts on the New York Cotton Exchange were unchanged at 13.78¢, and on the New Orleans Cotton Exchange they declined 8 points, closing at 13.77¢.

Hay markets generally quiet. Central western markets firmer. Eastern markets dull and weak. Timothy draggy but fair shipping inquiry. Kansas City made few sales to Florida. Alfalfa weaker with excess supply of medium to lower grades. Top grades very leafy in active demand but supplies scarce. Prairie barely steady. Receipts moderate, demand dull except top grades very good color.

Feedmarket barely steady past few days. Wheatfeeds quiet in all markets at practically unchanged prices. Hominy market dull. Linseed meal slightly easier. Cottonseed meal and gluten feed steady to dull.

Butter markets during the week ending Feb. 19 were quite firm and prices advanced about 2¢. Production is reported as increasing somewhat slightly. A shipment of about 16,000 boxes of New Zealand butter received during the week failed to materially affect the situation.

Cheese markets were quiet and weak and the prices established at the meetings of the Plymouth, Wisconsin cheese boards of Feb. 18 were about 3/4¢ lower than for the previous week. Production is reported as increasing but not equal to a year ago. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Feb. 19,	Feb. 18,	Feb. 19, 1926
	20 Industrials	158.71	158.56	160.92
	20 R.R. stocks	128.47	129.16	111.20

(Wall St. Jour., Feb. 21.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 44 Section 1 February 23,1927.

ARBORETUM BILL CONFERENCE ASKED

The press of February 22 reports that the Senate February 21 asked for a conference with the House on the bill to establish a national arboretum for the Department of Agriculture in Washington, which has passed both branches of Congress, but in which there are certain amendments to be agreed to. The conference was requested by Senator McNary of Oregon, chairman of the Senate agriculture committee, who was appointed one of the conferees, together with Senators Norris of Nebraska and Smith of South Carolina. It is understood the conference will be held as soon as possible after the House appoints its managers, so that no time will be lost in reporting back the findings of the conferees on the amendments. Indications are that the main purpose of the conference is to discuss the House amendment limiting the purchase price of land for the arboretum to 25 per cent above the assessed valuation.

The report says:"Now that the national arboretum bill has reached conference stage, there is increasing sentiment among members of the House not only to develop a great arboretum that will eventually eclipse any such scientific institution in any other country, but to utilize it to enhance the beauty of the National Capital. Representative Boylan of New York enthusiastically suggested to his colleagues in a speech in the House that the north side of Pennsylvania Avenue should be taken as a site for the national arboretum, and he emphasized how a beautiful approach to the Capital City from the East can be made where now it is a stretch of undeveloped cheap land...."

THE SEED BILL

The House February 21 passed the bill authorizing the appropriation of $6,000,000 for the purchase of feed and seed grain to be supplied farmers in crop failure areas, according to the press of February 22.

MERCHANT MARINE BILL

A permanent and adequate American merchant marine, by Government ownership and operation if necessary, is planned in the Jones bill ordered favorably reported to the Senate yesterday by the Senate commerce committee. The bill directs that the Shipping Board not sell any vessel or line of vessels now owned by the Government "when in its judgment the building up and maintenance of an adequate merchant marine can be best served by continued ownership of such vessel or such line by the United States." (Press, Feb. 22.)

HOUSE PASSES RETIREMENT BILL

The House February 21 passed the Lehlbach bill extending the time in which departmental heads may certify that a Government employee, reaching the retirement age, is efficient for an additional two years' service. (Press, Feb. 22.)

BOULDER CANYON DAM BILL

After a filibuster against the Boulder Canyon dam bill last night, the Senate at 1.30 o'clock this morning was without a quorum, according to the press to-day.

Section 2

Automobile Production

January automobile production in the United States amounted to 234,139 vehicles, as compared with 302,741 in January last year, the Commerce Department reported February 20, listing production as 196,973 passenger cars and 37,157 trucks and commercial vehicles. Although the 1927 production has so far been below 1926 totals, the January production was well above that of December, in which month 137,361 passenger cars and 28,461 trucks and commercial vehicles were turned out.

Farm Accounting

An editorial in The Breeder's Gazette for February 10 says:"... Even to-day, when farming is more obviously a business of facts and figures than it has ever been before, comparatively few men engaged in it keep systematic farm accounts....In the absence of exact records, kept by at least a majority of farmers, it is not difficult for any one, with a gift for public speaking, to prove what may or may not be true of farming. For instance, the buying power of farmers last year, as indicated by the record of certain concerns that sell to farmers, was far greater than it could have been if they were as hard up as they were represented to be by some speakers and writers. If most farmers possessed at the end of each year full and accurate accounts of their business, it would be impossible for any one grossly to misrepresent 'the agricultural situation,' whether he desired to make it rosy or black. Conscientious public officials in many places do not know whose figures or what facts concerning agriculture's economic status to accept as true at present. It may be brighter, blacker or more elaborately spotted than it is painted. Every one knows, however, that it could, should and will be much brighter than it has been for several years...."

Farm Equipment Progress

I.W.Dickerson, writing on the progress of farm machinery and equipment in The Nebraska Farmer for February 19, says: "One of the most noticeable developments of the past year is the more general realization of the importance which larger power units and power equipment have in solving the farmer's problem of cheaper production. Agricultural engineers have made this one of the chief phases of their work, and many of the agricultural economists are beginning to fall in line. The horse people have helped the cause by putting on a great many large team demonstrations all over the country, showing how one man may operate six, eight, or even twelve horses to many of the farm implements. Farmers have shown their belief in increased farm power by more liberal buying of both tractors and larger field machinery. In fact 1926 was probably the greatest year of the tractor industry."

Forest Soil Study Fund for Cornell

An Ithaca dispatch to the press of February 20 states that a gift of $130,000 for the endowment of a research professorship in forest soils in Cornell University was announced February 19 by President Livingston Farrand, who said that the Charles Lathrop Pack Forestry Trust founded by Charles Lathrop Pack, president of the American Tree Association, in addition to endowing the chair, had made a further generous provision of funds for the operating expenses of the investigation. The work will be done in the New York State College of Agriculture, and the appointment of the professor will be announced soon. The chair will be named for Mr. Pack. The trust is administered by his son, Arthur Newton Pack.

Milk and Feed Record

An Associated Press dispatch from Chicago February 20 says: "Side Hill Ormsby Segis, an Illinois cow, in thirty days had produced two and one-fifth times her weight in milk. No cow in this world has anything on Side Hill when it comes to giving milk, according to University of Illinois authorities, her sponsors. They attribute her splendid performance to her good appetite. No matter how she is fed, she bellows for more, yet never has indigestion. Side Hill is a purebred Holstein-Friesian and belongs to John R. Logan and son of Seward, Ill. She is 5 years old. In the last thirty days she has given 3,910.6 pounds of milk and 159.3 pounds of butter. In seven days on an official test she produced 941.6 pounds of milk and 38.56 pounds of butter. Her highest production for one day was 137.4 pounds of milk and 5.93 pounds of butter. Side Hill has eaten as much as thirty-six pounds of grain per day."

New York Milk Supply

The New York Times for February 20 reports that extension of the milkshed from which New York City gets its supply was advocated at a conference on milk shortage February 19 in the office of Health Commissioner Harris. Fear was expressed that the growing population, together with the virtual shutting off of the supply from Canada by the Lenroot-Taber bill would create a serious shortage by fall unless steps were taken to meet the situation.

Rural Electrification

An editorial in The Pennsylvania Farmer for February 12 says: "General Order 27 has been scrapped by the Public Service Commission. This famous edict, promulgated by the commission about a year ago was, in effect, an attempt to tell the electric power companies of Pennsylvania 'where they get off.'...They decided that the quickest way to get electric service into rural sections was not to fight the power companies but to cooperate with them. As a result of that decision several conferences were held with power company representatives, each side drew up plans for rural extensions, and by a process of give-and-take a single plan was evolved. This plan has been approved by the Public Service Commission and takes the place of Order 27. It will disappoint some who have believed untrue tales of cheap electricity in Canada and elsewhere. It will please others who understand the magnitude of the problems involved in rural electrification. On the whole, we believe it is a fair and workable plan. We shall publish details about it later."

Russian Conditions

Emil Lengyel, writing on Russian conditions in The Annalist for February 18, says: "The present tendency is to bring down the prices of the industrial products and to adjust the prices of the agricultural products to the general level of prices. What will be the consequence? The power of the peasants will increase, concurrently with the strengthening of their financial position. The price of agricultural products can be increased by abolishing the trade monopoly in cereals. This will lead to more pronounced capitalism among the peasants. What Marx called the 'plus value' will be created, and peasants will grow rich and poor as in any other capitalistic State. The way to decrease the prices of industrial products in Russia is to tear down the tariff walls and eliminate trade restrictions. The tariff walls of Russia are higher than those of any other country in the world, and higher than contemporary humanity has seen at any period, although

Russia is an agricultural country with only a very few industries. If something is done to relieve the industrial famine in Russia, the inevitable result will be an influx of merchandise and a corresponding deterioration of the trade balance. At present Russia's trade balance is not unfavorable. Last year the Russian export amounted to 700 million gold rubles and the import to 600 million. But there is no reason to congratulate Russia on this achievement. When reduced imports are due to the fettering of trade balance, figures such as these fail to impress the observer."

Tuberculosis Eradication By Area Testing

An editorial in The New England Homestead for February 12 says: "New England's progressive farmers are united in their belief that the next advanced step in bovine tuberculosis eradication is unquestionably the system of area testing. The agricultural committees of the legislatures now in session in Massachusetts, Connecticut, Rhode Island and Vermont, have within the past week had hearings on bills sponsoring the area testing of cattle....This week a hearing was held at Montpelier, Vermont. This State leads New England in the number of her accredited cattle....Vermont early grasped the economic advantage of clean herds and in 1925 again took a forward step in adopting the area plan but with a very small appropriation--$5,000 per annum. Sixteen towns have completed the test, 20 towns are on the waiting list and 17 towns are circularizing petitions for the work. Can Vermont's legislature be depended on to continue the State's progressive policy in eradication? It is justified from every angle and particularly from the standpoint of economy."

Section 3

Department of Agriculture

An editorial in The Journal of Commerce for February 21 says: "Legislative progress at Washington has now reached a stage at which it is possible to form fairly definite ideas about what to expect as to the nature of forthcoming cotton crop reports. From present appearances we shall not have condition reports and production forecasts from the Department of Agriculture prior to September 1. We shall have them in about the usual form on and after that date, at monthly intervals. On or about the first of July we shall have a carefully made estimate of acreage in cultivation, and in the early autumn we shall be told regularly how much acreage the department thinks has been abandoned. Such seems to be about the net results of the deliberations of Congress and the activities of southern planting interests. There can be no question that such a change is in the right direction. Nor is there any reason to doubt that the extent of relief is substantial. The semi-monthly reports of the past year or two have been troublesome enough to all concerned, and have done no one any appreciable amount of good. What is as much to the point, we shall not have wild guesses about production (of an official variety), at least until the crop has reached a stage where some fairly definite idea may be had as to ultimate results. If this action on the part of Congress may be taken as an indication of the beginnings of a movement that may later spread to other crop reports and grow to larger fruition even in cotton, so that the community might hope that in time the Government would cease to undertake forecasts altogether, we have at length cause for

self-gratulation. Whether any such meaning is to be attached to the present action of Congress is a question that time alone can answer."

Section 4
MARKET QUOTATIONS

Farm Products Feb. 21: Livestock quotations at Chicago on top price of hogs at $12.10.

Maine sacked Green Mountain potatoes $2.40-$2.85 per 100 pounds in the eastern cities. Wisconsin Round Whites $1.90-$2.05 carlot sales in Chicago; $1.65-$1.78 f.o.b. Waupaca. New Jersey yellow variety sweet potatoes $1.25-$1.75 per bushel hamper in city markets. Tennessee Nancy Halls $1.10-$1.15 in the Middle West. New York Rhode Island Greening apples $3.50-$4.75 per barrel in leading markets; $3.65-$3.75 f.o.b. Rochester. New York Danish type cabbage $2-$5 lower at $15-$20 bulk per ton in distributing centers and $10-$11 f.o.b. Rochester. Texas Round type steady at $30-$35 in mid-western cities; $10-$12 f.o.b. shipping points.

Closing prices on 92 score butter: New York 53¢; Chicago 53½¢; Philadelphia 53½¢; Boston 53¢.

Closing prices at Wisconsin primary cheese markets Feb. 19: Single Daisies 23½¢; Longhorns 24¢.

Grain prices quoted. No.1 dark northern Minneapolis $1.40-$1.48. No.2 red winter Chicago $1.34. No.2 hard winter Chicago $1.39; Kansas City $1.32-$1.38. No.3 yellow corn Chicago 71¢; Minneapolis 70¢; Kansas City 72¢. No.3 white oats Chicago 43¢; Minneapolis 44¢; Kansas City 45¢.

Average price of Middling spot cotton in 10 designated markets declined 4 points, closing at 13.42¢ per lb. March future contracts on the New York Cotton Exchange declined 10 points, closing at 13.68¢, and on the New Orleans Cotton Exchange they declined 6 points, closing at 13.71¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXIV, No. 45 Section 1 February 24,1927

THE PRESIDENT SIGNS BORER FUND BILL The bill appropriating $10,000,000 for the extermination of the European corn borer was signed yesterday by President Coolidge. Administration of the law will be under the Secretary of Agriculture.

RADIO CONTROL BILL Designed to clear up chaotic conditions in the air, the radio control bill yesterday finally became a law with the signature of President Coolidge, according to the press to-day.

COTTON SHIPMENT BILL Senator Ransdell of Louisiana introduced a bill yesterday to regulate interstate shipment of cotton. (Press, Feb. 24.)

MR.LOWDEN AND THE MCNARY-HAUGEN BILL The New York Times to-day says: "Reports that former Governor Frank O. Lowden of Illinois, an outstanding figure in the background of the agitation for farm legislation, did not approve the McNary-Haugen bill in the shape it was sent to the President were set completely at rest last night when this telegraphic message was received in New York by The New York Times from the former Governor:'Chandler,Ariz.,Feb.23. Such reports are entirely unfounded. I believe that if the bill becomes a law, under its operation farmers will at last have a chance to market their products under conditions of equality with modern conditions of marketing other commodities, of which farmers are large consumers. I hope that the President will approve the bill. Frank O.Lowden.'..."

BRITISH NOTE THREATENS SOVIET A London dispatch to the press to-day says: "A note of 'protest and warning,' couched in severe terms, has been presented by the British Government to the Government of Soviet Russia. It is a protest against anti-British intrigue and propaganda in various parts of the world and a warning that if it is continued it will lead to the abrogation of the Anglo-Russian trade agreement and even of the severance of ordinary diplomatic relations...."

RUBBER RESTRICTION A London dispatch to the press of February 23 says: "No change in the Stevenson rubber restrictions is contemplated by his department as long as conditions remain substantially the same as now, Secretary of State for the Colonies Amery told the House of Commons February 22...."

Section 2

American Income

An editorial in The Wall Street Journal for February 21 says: "Income of the American people in 1926 amounted to $89,682,000,000, compared with $62,736,000,000 in 1921. Thus, the country recovered from the post-war depression and increased its income 45 per cent in five years. The present income shows a purchasing power which has never before been equaled. These figures are given on the authority of the National Bureau of Economic Research. Dr. Willford I. King, Dr. Edwin F. Gay and Dr. Wesley C. Mitchell, are the economists who had charge of the research and investigation work. The report now submitted brings the bureau's estimates of national wealth year by year from 1909 down to date. In 1909 the income of all persons gainfully employed averaged $791. From that there was a steady advance, broken only by the post-war deflation, until in 1926 it amounted to $2,010. At that time there were 44,600,000 persons engaged in some kind of employment or business activity. Here are the figures that tell the real story of American progress and well being. The constant increase in earning power of the people at a time when the population is rapidly growing is a matter of great importance to business. Invention, technical research, skill and organization are behind this story of increasing income. The trend of economic welfare is still curving sharply upward in spite of the increase in population. There is nothing that can be seen to indicate that it will not continue upward for some time to come. The sum total of all this was an aggregate purchasing power in 1926 of almost $90,000,000,000..."

Boulder Dam Project

An editorial in The Washington Post for February 22 says: "Opposition to the Boulder dam project is not confined to the States which feel that they are not getting a square deal in the distribution of water. It includes also the great public that objects to having the Government go into business. Although the Boulder dam project is painted in the most alluring colors as a master plan for conserving water, controlling flood, reclaiming deserts and developing power, all in one, the fact remains that the bill runs contrary to the fixed policy of the United States in avoiding Government ownership of public utilities....Muscle Shoals has given the Government enough trouble, without building another great plant which should be handled by private enterprise. If the Government can not dispose of Muscle Shoals there is no reason to assume that it could dispose of Boulder dam."

Canadian Wheat

An editorial in The Washington Post for February 23 says: "It is difficult to understand how the Canadian wheat farmer can compete with his American cousin in the wheat markets on this side of the line against the duty of 30 cents a bushel. Yet during the week which ended February 5, there were imported 515,000 bushels from the Canadian Northwest, all of which, however, came in simply to be ground and reexported. That, of course, was not subject to duty. In the corresponding period of 1926, 124,000 bushels of Canadian-grown wheat were imported, of which 97,000 bushels were ground and exported under bond. The remaining 27,000 bushels, according to the Department of Commerce, were brought in for consumption, and duty at the rate of 30 cents a bushel was paid on the lot. It can not be claimed that the Canadian farmer has any advantage over the agriculturist in the

United States. The climate of the Canadian wheat region differs very little, if it differs at all, from the climate of the American wheat belt, especially the spring wheat regions. Yet the Canadian grower has not asked his Government to finance his operations, nor is there any indication that anything resembling the McNary-Haugen monstrosity is proposed in the Canadian Parliament. Nor can it be claimed that the Canadian enjoys any advantage over his Yankee competitor in the way of freight rates, for rates to the markets of Chicago and Minneapolis are certainly no lower from Manitoba, Alberta and Saskatchewan than from points in the Dakotas and Minnesota. Is the Canadian a better farmer than his fellow agriculturist on the United States side of the boundary?"

Farm Legislation In an editorial on farm legislation, The Journal of Commerce for February 23 says:"...The farm problem in this country will continue to plague us until we bestir ourselves to find and execute real relief programs. So far we have shown no disposition to do anything of the kind. On the contrary, the policy has been to leave the whole subject, as important as it is, in the hands of incompetent and often designing politicians, and to accept what of their proposals we felt we had to accept, leaving the rest to fate. It ought to be clear enough that nothing of lasting constructive value is likely to be accomplished in this manner. President Coolidge will doubtless be able to stand between the country and the McNary bill, and apparently intends to do so. There is no way of telling though how long it will be before the Chief Executive will be unable to perform such a service. Meantime President Coolidge can have the credit that comes with courageous action, but he must likewise carry the load of responsibility for not acting as a real leader of his party to offer the farmers something other than a stone when they ask for bread. The momenta danger from the McNary bill is not as great as some seem to fe or the simple reason that either the President or the Supreme Cou probably will afford protection, but the hazard, the constantly increasing hazard, of the general situation of which this measure is but a part, is real enough and will remain."

Immigration The changes in the occupational character of immigration since the war are discussed in an article in the February issue of the Monthly Labor Review. Although it is a matter of general knowledge that since the war and more particularly since the passage of the "quota" immigration acts of 1921 and 1924 there has been both a great reduction in the immigration of aliens into the United States and a marked change in the racial composition of such immigration, it is not so well known that there has been an equally significant change in the occupational character of the immigration. The proportion of unskilled labor has decreased sharply, this class of labor being represented by about 41 per cent of all immigrants in the four pre-war years 1911 to 1914 and by only 18.7 per cent in the two years 1925 and 1926. In the earlier period the unskilled laborers outnumbered more than 2 to 1 the total number of skilled mechanics, professional and business people, and farmers, while in the past two years the average number of skilled laborers was substantially as great as that of the unskilled and the average annual number of immigrant farmers was actually larger than in the pre-war period.

McNary-Haugen Bill An editorial in The Wall Street Journal for February 21 says: "....How long would it take the farmers of the West and South to learn that what they had been demanding was nothing but a gold brick? How will they enjoy this governmental supervision of their business? Will they sing songs of rejoicing at the workings of the 'equalization fee' which is a tax on every bushel of corn, or wheat, or every pig or bale of cotton? The first effect of this law would be to raise the price of those products. But there would be another raising in wages and the prices of the things the farmers buy that would leave the farmer worse off than now. All that is taken from the Treasury now or to pay future losses must be paid by the people and the farmers must bear their share. Also there is grave danger that soon farm prices would slump as in 1920 and the last state of the farmer would be worse than the first. If Mr. Coolidge permits the farmers to take the dose they ask, he is not in a hole. But later the politicians would be. If he refuses to let the farmers be sacrificed by their own folly he will probably gain in strength among those whom he has rescued. Those who dug the hole are the ones that will fall in it."

New England's Merchant Marine An editorial in The New England Homestead for February 12 says: "What a feather in New England's cap that the U.S. Shipping Board should transfer to Boston from New York the Republic lines steamers. These 12 freighters of 8,800 tons each ply to our own southern coast ports, the West Indies and South America. The change is made partly because of the reputed better management the line will receive from C.H.Sprague & Son of Boston--practical men who know the business. May this begin the restoration of New England supremacy in the merchant marine! Providence, New Bedford, Boston, Portsmouth and the Maine ports should again grow rich from ships on the seven seas. Massachusetts nautical school, the Nantucket, may well be supported a while longer in the effort to train seamen. Maritime prosperity for New England would benefit our agriculture in many ways."

Trade Relations The viewpoint of American business interests concerning the whole question of trade barriers was presented February 23 to a meeting of the trade barriers committee of the International Chamber of Commerce at Paris in the form of a report from the American Section. Lucius Eastman, president of the Merchants' Association, New York, represented the American section at the Paris meeting. The views expressed in the report, together with the conclusions of the other forty-two nations connected with the International Chamber will form the basis for a general report, expressing the composite opinion of world business interests, to be submitted to the economic conference of the League of Nations at Geneva, May 4. The American report, which was made public at Washington February 23, was prepared by a committee of outstanding American business executives who have given a great deal of consideration to the subject of trade barriers. The report carefully points out that "the immediate trade barriers problems would seem to center on an adjustment of the dislocated economic machinery of Europe, before touching the relations of that area to other areas. The economic restoration of Europe is of first importance, not only to Europe but to the rest of the world. It therefore seems both logical and desirable, in considering the problems under review by the trade barriers committee, to distinguish

those of European focus from those of wider application." The American committee indorses recommendations and proposals which have been suggested for the elimination of barriers to trade in Europe. "It is generally acknowledged," the committee says, "that the absence of trade barriers throughout the whole area of the United States, nearly as large as Europe itself, renders unnecessary in the United States many of the steps desirable in Europe. Instructed by our own experience, the American committee feel that substantially similar freedom of commerce and trade in Europe would inevitably result in great benefit to the European peoples. On the other hand," the committee explains, "we believe we accurately reflect general business opinion in this country when we state that the United States is strongly committed to the principle that our high standards of living and wage scales require tariff protection to preserve them so long as such great disparity exists between them and other standards of living and wage scales...."

Section 3
MARKET QUOTATIONS

Farm Products Feb. 23: Livestock quotations at Chicago on top price of hogs $11.65.

Maine sacked Green Mountain potatoes $2.50-$2.85 per 100 pounds in eastern cities; bulk stock $1.85-$1.90 f.o.b. Presque Isle. Wisconsin Round Whites $1.85-$2.05 carlot sales in Chicago; $1.65-$1.80 f.o.b. Waupaca. New York Danish type cabbage $1-$3 lower at $10-$20 bulk per ton in distributing centers and $10-$11 f.o.b. Rochester. Midwestern yellow onions $2.50-$3 sacked per 100 pounds in consuming centers; few $2.40-$2.50 f.o.b. West Michigan points. New York Rhode Island Greening apples from cold storage $3.50-$4.75 per barrel in terminal markets; $3.65 f.o.b. Rochester. Michigan Jonathans $4.50-$6 in Chicago.

Closing prices on 92 score butter: New York 53¢; Chicago 51¾¢; Philadelphia 53½¢; Boston 53¢.

Closing prices at Wisconsin primary cheese markets: Twins 22 1/8¢; Single Daisies 23¢; Longhorns 23½¢; Square Prints 23¼¢.

Average price of Middling spot cotton in 10 designated markets advanced 19 points, closing at 13.61¢ per lb. March future contracts on the New York Cotton Exchange advanced 24 points, closing at 13.92¢. and on the New Orleans Cotton Exchange they advanced 25 points, closing at 13.96¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.38-$1.46. No.2 red winter Chicago $1.36. No.2 hard winter Chicago $1.36; Kansas City $1.31-$1.37. No.3 yellow corn Chicago 69¢; Minneapolis 68¢. No.3 white oats Chicago 43¢; Minneapolis 43¢; Kansas City 44¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Feb. 23,	Feb. 21,	Feb. 23, 1926
	20 Industrials	160.43	158.80	158.83
	20 R.R. stocks	127.93	127.01	109.90

(Wall St. Jour., Feb. 24.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 46 Section 1 February 25,1927.

FARM EXPORTS The Senate February 24 agreed to the Nye resolution requesting information relative to exports of American farm products and what measures have been taken to stimulate their consumption in foreign countries. (Press, Feb. 25.)

BOULDER DAM LEGISLATION The filibuster against the Boulder Canyon Dam project continuing, Senator Pittman of Nevada yesterday appealed to Senator Johnson of California, in charge of the measure, to file a cloture petition. This was done while Senator Ashurst held the floor and when the Arizona Senator appealed from the decision of Chair in granting that privilege to Senator Johnson, the Senate by a vote of 46 to 30 upheld the Vice President. Cloture on Boulder Dam will be voted upon Saturday. (Press,Feb.25)

SENATE PASSES WATERSHED BILL A bill authorizing gradual expenditure of $40,000,000 between now and 1934 for the purchase of forest lands for the protection of the watersheds of navigable streams passed the Senate February 23. Senator McNary of Oregon, author of the bill, explained the purpose is to acquire lands within the watershed areas of navigable streams in the Southern, New England and Great Lakes States. (Press,Feb.24.)

KANSAS BANKS CLOSE An Associated Press dispatch to-day from Topeka says: "The closing of seven small banks in southeastern Kansas operated by John G. Miller, a Pittsburgh, Kan., coal operator, yesterday brought to the fore the problem of legislative action on the State Bank Guaranty law. The banks closed yesterday were located at Pittsburgh, Fort Scott, Arma, Opolis, Mulberry, Englestale and Cherokee and had total deposits of approximately $1,000,000. All operated under the State guaranty law and the failures were expected to increase the claims against the State depositors' guaranty fund, liabilities of which already exceed its assets by more than $5,000,000. The State Legislature now must decide whether it will repeal the Bank Guaranty law and vote for a bond issue to pay the claims of depositors, who have no hope to recover from the present funds."

HOOVER ON RADIO The press to-day says: "The magnitude of the task confronting the radio commission which President Coolidge will appoint under the Radio Control Act was emphasized by Secretary Hoover yesterday in a statement on the radio situation. Mr. Hoover stated that his department would recognize existing call letters until action by the radio commission or 'other change in the situation' makes an alteration necessary or advisable and that no licenses would be issued to new stations until they had been granted licenses by the commission. This means that a station already completed and ready to go on the air, but not yet licensed, can not operate until they have obtained licenses from the commission for stations...."

Section 2

Botanic Garden Funds

An editorial in The Washington Post for February 24 says: "The general deficiency bill, usually the last supply bill of the season, was reported to the House from the appropriations committee on Tuesday. In it is a clause that is designed to put into effect the act to provide for the enlargement and relocation of the Botanic Garden, which the President signed on January 5. But the appropriation carried in the deficiency bill is insufficient to insure the acquisition of the two squares of land which that act provides shall be purchased. The amount necessary to assure the purchase of the land and the starting of the work of improvement is something over $800,000, but the appropriations committee has provided only $600,000. However, the House is still to pass upon the various items of the bill, and in view of the expressed determination of Congress in support of the proposed enlargement of the garden it is possible that even before the measure reaches the Senate an addition will be made. Should that not be done it is likely that the Senate will make up the deficiency. Senator Fess, chairman of the library committee, which approved and recommended the original measure, is greatly interested in the Botanic Garden and is unwilling that the great work of improvement shall be delayed for another year for lack of sufficient funds. He proposes to urge as an amendment to the deficiency bill the sum that the consulting landscape architect suggests as absolutely necessary. Senator Warren, chairman of the Senate appropriations committee, is understood to favor such action as will assure the prompt beginning of the improvement and its continuance until completed."

Boulder Dam

In a long editorial on the Boulder Dam, The Journal of Commerce for February 24 says:"...The Boulder Dam project in the guise of a simple scheme to protect the Imperial Valley against floods would put the Government into the power business on a gigantic scale and would also commit it to an expensive irrigation canal project in the interest chiefly of the Imperial Valley. The 600,000 horse power to be generated is far in excess of the amount that Los Angeles, 300 miles away, could use, and the plant is said to be 200 miles from the nearest possible demand of any size. If flood control alone were to be considered, opponents of the Swing-Johnson bill assert that this purpose can be served more effectively and at a fraction of the cost by a dam lower down the river at Topock. Fortunately interstate complications are certain to interfere with plans for rapidly pushing to execution the Boulder Dam project, should it be voted...."

Dairy Cattle Grades

An editorial in The Iowa Homestead for February 10 says: "It is conservatively estimated by dairy authorities that the loss sustained by the dairy industry in the United States, due to scrub cows, amounts to the enormous sum of $750,000,000 annually--an unnecessary loss, think of it! Scores of surveys have been made by agricultural colleges and cow testing associations and they have shown conclusively that fully one-third of our 22,000,000 milk cows in the United States are being fed and cared for at a loss; that is, these cows do not bring sufficient returns to pay market prices for the feed they consume. Nor is this due to low prices of dairy products. It is due to low production. The average cow in the United States produces less than 4,000 pounds of milk a year. In fact, census figures

place the production at 3,700 pounds. That probably represents 150 pounds of butterfat. This is about one-half as much as the average cow in Holland and Denmark produces and two-thirds as much as the average in England. Why shouldn't American cows average as high in production as European cows? They should, for we have higher producing purebred dairy stock in this country than they have in Europe. We have the right foundation stock for building the best farm producing herds in the world. Will the average farmer make use of that breeding stock is the question. He is not doing so to-day to the extent that he should...."

Freight Rates An editorial in The Farm Implement News for February 10 says: "The commissions, committees, chambers of commerce and what-not which have undertaken to find out what's the matter with agriculture and prescribe a remedy, are themselves in need of the attention of a specialist....The affliction to which we refer is the heavy cost of transporting agricultural products to market. It costs too much to carry farm products from the places where they are raised to the points where they must be delivered to get the market price, and the farmer pays this cost. It is so obvious that a substantial cut in farm rates would be of enormous benefit to agriculture, we marvel that the farm organizations and others professing to be seeking aid for agriculture have not made a fight for it....Of course, reduction in freight rates on farm products would not cure all of the ills of agriculture, but it would be 'first aid' to the class that suffered most from the results of deflation. It would reduce the farmer's cost of marketing his products. Reduction in the cost of production is another thing he needs and it is largely within his own control. But let's remove the heartbreaking handicap of excessive transportation charges and give him the courage to tackle the other obstacles in his path to prosperity."

French Tariff Bill A Paris dispatch to the press of February 24 says:"An increase in duties upon American products sold in France has been decided upon in the new tariff bill which will be introduced in Parliament next Tuesday. While raw materials bought from the United States are for the most part reduced or unaffected, a general and in many cases a material increase has been applied to American manufactured articles, thereby making the sale of these things, already a difficult problem, more problematical than ever...."

Ontario Grain Pool An editorial in The Ontario Farmer for February 15 says:".... Ontario is not generally looked upon as a grain-selling province, yet the United Farmers' Cooperative Company handled for its members in 1926 more than 600 carloads. And that was without any special facilities for handling or selling and without the making of any special 'bid' for the business. A specially organized grain pool should find many times that volume of business offering. On the 600 cars handled last year the U.F.Cooperative Company returned to the growers nearly $2,000 in commodity dividends, over and above the regular market price of the grain, a larger volume of grain could be handled and sold much more advantageously and the per bushel dividends increased accordingly. From our knowledge of the benefits which the western wheat pools have conferred upon the farmers of the

Prairies, we extend to the Ontario Grain Pool our heartiest support. The most recent and one of the most outstanding commendations of the western pools which has come to our attention is that from Premier G. Gardiner of Saskatchewan, which he made at a banquet in Regina on January 31st: 'The wheat pool has one of its best friends in the Government of this province. During the time I have been Premier of this province and more especially since the time I became Provincial Treasurer, I have come also to believe that it has as its friends the great financial organizations of the province, the business and the financial houses. And why shouldn't it have these friends? It has stabilized agriculture and it has stabilized finance.'"

Pulpwood Shortage

The New York Times of February 24 reports that speakers at the conventions of the American Paper and Pulp Association and the National Paper Trade Association, which are being held at New York, emphasized February 23 the need for conserving pulp wood forests. S.T.Dana of the Northeastern Division and Raphael Zon of the Lake States Division of the Federal Forest Service described the efforts of their bureau to conserve the pulpwoods, particularly spruce, which is the best basis for newsprint paper. In Wisconsin, Minnesota and Michigan, at the present rate of consumption, Mr. Zon said, spruce available for newsprint purposes would be exhausted in twenty years, when, for a time at least, substitutes would have to be used, unless imports from Canada and Norway were increased.

Social Custom Changes

"The story of a revolution in the social customs of our people is compressed in the fact that in 1870 there were only 289 plumbers, gas and steamfitters to serve each million of our population, while by 1920 the number had grown to 1,956--an increase of 577 per cent. A revolution in methods of transportation is concealed in the decrease of 50 per cent in the number of blacksmiths per million of population since 1870. A complete change in the housing of a people lies behind the information that the number of brick and stone masons in proportion to our population has declined over 40 per cent in this period, while the proportion of iron and steel workers has grown by 559 per cent, and architects 230 per cent. The decline of the United States as a shipping nation, as well as great changes in the methods of water transportation are reflected in the fact that the proportion of sailors and deckhands to our population has decreased nearly 65 per cent in the past half century. Our legal and spiritual needs appear to require almost the same proportion of lawyers and clergymen as they did in 1870; but that we have exchanged old physical tribulations for new ones is suggested by the fact that, while the proportion of physicians and surgeons to the population has decreased by about 15 per cent, the proportion of dentists has grown by 162 per cent, and that of barbers, hairdressers and manicurists by 229 per cent. Finally, the astonishing increase of 1,286 per cent in the proportion of clerical and office employees to the population offers a striking reflection upon the enormous growth in the 'paper machinery' of our economic life." (Nat'l. Industrial Conference Board.)

Section 3

Farm Products

Chicago livestock quotations on top price of hogs $11.90.

Maine sacked Green Mountain potatoes $2.50-$2.75 per 100 pounds in eastern cities; bulk stock mostly $1.85 f.o.b. Presque Isle. Wisconsin Round Whites $1.80-$2.05 carlot sales in Chicago; $1.75-$1.80 f.o.b. Waupaca. New York Danish type cabbage $1-$3 lower at $15-$20 bulk per ton in distributing centers and $10-$10.50 f.o.b. Rochester. Midwestern yellow onions $2.50-$3 sacked per 100 pounds in consuming centers. New York Rhode Island Greening apples from cold storage ranged $3.50-$4.75 per barrel in terminal markets, $3.75 f.o.b. Rochester. Baldwins $3.50-$4.25 in city markets and $3.65-$3.75 f.o.b. Michigan Jonathans $4.50-$6 in Chicago.

Closing prices on 92 score butter: New York 53¢; Chicago 51¾¢; Philadelphia 53½¢; Boston 53¢.

Closing prices at Wisconsin primary cheese markets Feb. 23: Single Daisies 23¼¢; Double Daisies 23¢; Longhorns 23½¢.

Average price of Middling spot cotton in 10 designated markets declined 1 point closing at 13.58¢ per lb. March future contracts on the New York Cotton Exchange declined 3 points, closing at 13.89¢, and on the New Orleans Cotton Exchange they declined 7 points, closing at 13.89¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.38-$1.46. No.3 yellow corn Minneapolis 68¢. No.3 white oats Minneapolis 42¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Feb. 24,	Feb. 23,	Feb.24,1926
20 Industrials	160.11	160.43	158.55
20 R.R. stocks	127.51	127.93	109.91

(Wall St. Jour., Feb. 27.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 47 Section 1 February 26,1927.

THE PRESIDENT VETOES MCNARY-HAUGEN BILL

President Coolidge sent back to the Senate yesterday without his approval the McNary-Haugen farm aid bill.

In his review of the veto message, R.V. Oulahan in the New York Times to-day says:"...The President set forth at great length his many objections to the measure. He found it unconstitutional, unworkable, price-fixing, sectionally discriminating, imposing additional burdens upon the generality of farmers while of doubtful helpfulness to the minority it aimed to benefit, encouraging overproduction, raising prices of farm products at home while the same American products would be sold cheaply abroad, costly to the Government, bureaucratic and altogether unsound and undesirable...."

The press to-day reports that Senator Charles L. McNary of Oregon, co-author of the measure, acknowledged on the floor of the Senate yesterday afternoon that it could not be passed over the veto, he said that even if there remained enough time before final adjournment to consider it, the votes by which the bill was passed in the Senate and House were not sufficient in either case to justify any expectation of obtaining the two-thirds necessary to make it a law over the President's disapproval.

The report further says: "The next Congress probably will tell a different story. The atmosphere of that Congress will be generally more sympathetic to the principles embodied in the McNary-Haugen plan of farm relief and it is already apparent that it will be reintroduced and a strenuous effort made to put it through both Houses with enough votes to spare to override another veto of Mr. Coolidge. Representative Dickinson of Iowa, leader of the Republican farm bloc of the House, made that known last evening...."

The appended opinion of Attorney General Sargent was to the general effect that the McNary-Haugen bill was unconstitutional. This amplified the objections on the same score set forth by the President.

IOWA RESENTS VETO

A Des Moines dispatch to the press to-day says: "Voicing Iowa's protest against President Coolidge's veto of the McNary-Haugen farm relief bill, the Legislature yesterday adopted a resolution asking Congress to override the Presidential veto and characterizing the measure as 'the most needed economic legislation for good of the whole United States that has at any time been before the Congress.' At the same time sixty-one members of the lower House signed a petition asking Frank O.Lowden, former Governor of Illinois, to become a candidate for President in 1928.

THE PRESIDENT SIGNS MCFADDEN BILL

The press to-day reports that President Coolidge yesterday signed the McFadden branch banking bill. The bill provides for the renewal of the charters of the Federal Reserve banks and allows the establishment of branch banks of national banks in States where local legislation allows it.

Section 2

Agricultural Economics in British Curricula

The Journal of the (British) Ministry of Agriculture for February says: "An innovation in the Department of Economics at Bristol University is the inclusion in the courses of study for 1926-27 of a special course on the economics of British agriculture as one of the selective subjects for the degree of B.A. with honors in economics. The point of this notable departure is the fact that the subject is part of the curriculum for students of general economics, and would be taken by them in the third and fourth years of study; it has no connection with the teaching of agricultural science and practice, although the Department of Agriculture is naturally concerned in the particular arrangements for the course. The syllabus outlines five sections of study for the course as follows:--(1) Demand for Agricultural Products and Sources of Supply; (2) The System of Agricultural Production, embodying types of farming, factors of production, farm organisation and marketing; and (3) Analysis of the System, dealing with prices and farming practice, the conditions which influence net output, the effect of State policy, cooperation and individual efficiency, the distribution of net output, and the effect upon supply of factors of production. Section (4) Rural Sociology, is concerned with rural communities and their social organization, rural industries, comparison of rural and urban conditions, also emigration and immigration. The last section, (5) The Nation and Agriculture, deals with the present position of agriculture, possible objective and methods of attaining them, and problems of the future."

Farmers and Automobiles

"As a St. Valentine's Day utterance, Will Rogers, the humorist, said: 'The Senate relieved the farmers Friday. The House of Representatives is supposed to relieve them tomorrow. Rotation of crops and less automobiles will relieve them whenever they decide to try it.' Two-thirds sound sense and one-third error. In the satire of his reference to legislative relief, Mr. Rogers shows keen, profound humor, and keen, profound humor ever savors strongly of sound sense. Equally practical is his advocacy of rotation of crops. With his urge for abandonment of the automobile by the farmer we can not agree. The farmer and his family are as fully entitled to an automobile as are the bricklayer--at $14 a day--and his family, or as are the merchant and the banker and the industrialist, and as Mr. Rogers himself. Think this over, Mr. Rogers." (Manufacturers Record, Feb.24.)

Farmer's Working Day

An editorial in The Southern Agriculturist for February 15 says: "...It would be interesting and valuable to know just how many hours the typical livestock farmer, or tobacco farmer, or cotton farmer, or truck farmer, or dairy farmer, gives to his work in a year....It will probably never be desirable to put farm work on the basis of absolutely fixed hours of labor. There are emergency seasons when the longest day is too short. At the same time, it is not at all improbable that some farmers would be better off if they actually shortened the length of their average working day; and it is altogether probable that many farmers would be better off if they reduced the hours devoted to the production of their main crops and gave part at least of this time to study of their business, to the keeping of accounts and to general farm and home improvement."

Farm Relief Theodore H. Price, writing under the title "Facing Farm Relief Frankly," in Commerce and Finance for February 23, says: "....Mark Twain said that 'everyone complains about the weather, but no one does anything about it,' and this remark comes very near to describing the passivity of the East and its newspapers in their attitude toward the predicament of the farmer. The economic disparity of which he is the victim is admitted, but any suggestion that the Government should actively intervene in his behalf is opposed as socialistic or bureaucratic or uneconomic. We confess that we took this view until we studied the facts and that it is only by inquiry and personal observation that our opinion has been changed. Having been brought up to believe that 'the people who are least governed are best governed,' we have been reluctant to support any measure that would multiply the functions or agencies of Government, and it is with a feeling of sincere regret that we yield to the logic of events in advocating a subsidy for the farmer. For that is what the McNary-Haugen bill and all similar measures amount to and we may as well be frank about it. Sugar-coat them as we may with equalization fees and revolving funds that may be loaned and repaid, they still mean that Uncle Sam is to supply the farmer with certain sums of money that may or may not be returned. If the United States had never granted a subsidy, consistency, which is 'a weakness of the narrowminded,' might require that we should resist the beginnings of evil. But subsidies are not new in this country. The transcontinental railways were subsidized by land grants; our coastwise shipping is subsidized by navigation laws which exclude foreign competition, and the tariff subsidizes a very substantial portion of our population at the expense of the whole Nation and of the farmers in particular. Having thus admitted the economic expediency of the subsidy in some cases, how can we with justice deny it in others?.....Examining the farmers' appeal for aid in the light of the foregoing, we find ourselves compelled to concede the justice of the demands made. For years the farm owners and the farm workers have been at a disadvantage. They have been compelled to buy in a protected market and to sell in competition with the world. As a result they have not shared the prosperity that has come to their protected fellow-citizens....These, briefly stated, are our reasons for urging that the question of farm relief shall be impartially and carefully considered in all its aspects. It is, we think, one of the most important questions that have ever been argued at the bar of public opinion in the United States, and we believe that it can be decided upon its merits and without political acrimony if it is sufficiently and dispassionately debated...!"

Land Value "There is nothing new, of course, in the statement that the land is the source of all wealth, but now and then comes an exhibit that brings this home in startling fashion. In a recent issue of The Executive's Magazine, John G. Lonsdale, president of the National Bank of Commerce, St.Louis, Mo., brings us upstanding with the statement that the agricultural lands and improvements in the States of Missouri, Arkansas, Louisiana, Kansas, Oklahoma, and Texas are of a value $900,000,000 in excess of all our coined money, all our currency, all our gold reserves in the vaults of the Treasury at Washington and all the reserves of the Federal Reserve banks. 'Roughly speaking,' says Mr. Lonsdale, 'it would take the gold supply of the entire world to buy the agriculture land and buildings of the six Southwestern States. No treasure ever possessed by any king or potentate is to be mentioned in the same breath with it.'" (Editorial, [illegible] March [illegible])

McNary-Haugen Bill

An editorial in The Manufacturers Record for February 24 says: "The McNary-Haugen bill is a gesture of despair. Agriculture has been manhandled as has no other major industry in America. In 1920 it was given two devastating blows, either one of which would have been sufficient to lay it low. It was made the victim simultaneously of price and credit deflation on the one side and of freight rate inflation on the other. At the very moment when price deflation was being most actively engineered at Washington, the Interstate Commerce Commission ordered drastic freight increases. It did so just as the harvests were moving into market. The farmer paid the freight, and he paid it out of crop prices which, in some cases, had dropped to less than one-fourth of the prices in effect when the crops had been planted. There has been no adequate recovery, and there can be none until there is put into effect a national agricultural policy that restores the equilibrium which was destroyed. It is idle to talk about the inefficiency of the farmers. Young men have left the farms by the tens of thousands and by the hundreds of thousands. The farms are the recruiting ground for the leaders of industry. When men are able to achieve pronounced success in the cities who are unable even to earn a living on the farms, the indictment must lie against farming as an industry and not against the agricultural personnel. There is complete agreement on one thing, and that is that the surplus beats down prices of farm commodities. The American farmer produces in a thoroughly protected market; industry is protected by the tariff; labor is protected by the immigration laws, and the railroads are protected by a wise national policy which assures them adequate income. The American farmer, therefore, must pay production costs that compete with production costs in these other protected industries, and yet he is forced to accept a price for his product which is dictated not by the level of American prices, but by world prices, which are themselves based on production in the purely agricultural and backward nations where farm labor is obtained at a trivial cost...."

Prices and Wages

An editorial in The Wall Street Journal for February 24 says: "Steady decline in prices for several months indicates a fundamental readjustment is taking place in the economic situation. Much ground has been covered since October when the wholesale price index of 200 representative articles as recorded by Irving Fisher declined from a monthly average of 148.5 to 142.1 per cent. Last week's index brought the purchasing power of the dollar to just above 70 cents, the highest since 1922. The peak of prices of 247 per cent in 1920 meant a 40 cent dollar. Compared with the 1926 average of 151.3 per cent the index has fallen a little over 9 points....Except for isolated cases, such, for instance, as in the woolen and textile trades the past year, there has been no evidence of important employment curtailment. Practically everybody is working at substantially the highest level of wages. The prosperity of the country and the activity of business has made this possible. Business recession and unemployment make fast inroads into the wage scales, but none of these are in evidence to-day. Present state of the bulk of wage earners means enlarged purchasing power of the country. Last year the income of the American people was close to $90,000,000,000. They are probably earning at that rate now. To the great mass of earners, therefore, the present price recession is a blessing...."

Production An editorial in The Southern Agriculturist for February 15 says:"...The farmer who wishes to reduce his production of any crop should seek to bring about that reduction solely by cutting his acreage. He can not afford to bring it about by planting on poorer land, by carelessness in seed selection or soil preparation or cultivation, by scanty fertilization, or by indifference toward any phase of the crops production. All or any of these things will surely increase the unit cost of his crop and so lessen his chances of securing a profit. The thing to consider in crop production is not the total cost of raising the crop, and not the cost per acre, but the cost per unit of production. If it is not worth while to give the crop the best practical care and attention, it is not worth while to plant it."

Section 3

MARKET QUOTATIONS

Farm Products Feb. 25: Livestock Quotations at Chicago on top price of hogs at $12.

Maine sacked Green Mountain potatoes $2.35-$2.75 per 100 pounds in eastern cities; bulk stock $1.80-$1.85 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.80-$2.05 on the Chicago carlot market; $1.60-$1.70 f.o.b. Waupaca. New York Rhode Island Greening apples $3.50-$4.75 per barrel; cold storage stock mostly $3.75 f.o.b. Rochester. New York and Michigan Baldwins $4-$4.25 in Chicago. Michigan Ben Davis $3-$3.50 in Chicago. New York Danish type cabbage mostly $15-$20 bulk per ton in terminal markets; $10-$12 f.o.b. Rochester. Texas stock $30-$45, in midwestern cities; $10-$12 f.o.b. Onions, midwestern yellow variety $2.25-$3 per 100 pounds in consuming centers; $2.40-$2.50 f.o.b.

Closing prices on 93 score butter: New York 51¢; Chicago 51¢; Philadelphia 51½¢; Boston 52¢.

Closing prices at Wisconsin primary cheese markets Feb. 24: Single Daisies 23¢.

Average price of Middling spot cotton in 10 designated markets advanced 13 points, closing at 13.71¢ per lb. March future contracts on the New York Cotton Exchange advanced 11 points, closing at 14¢, and on the New Orleans Cotton Exchange they advanced 16 points, closing at 14.05¢.

Grain prices Quoted: No.1 dark northern Minneapolis $1.38-$1.45. No.2 red winter Chicago $1.37. No.2 hard winter Chicago $1.37. No.2 yellow corn Chicago 70¢; Minneapolis 69¢; No.3 white oats Chicago 43¢; Minneapolis 42¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Feb. 25,	Feb. 24,	Feb. 25, 1926
20 Industrials	160.68	160.11	156.54
20 R.R. stocks	127.00	127.51	109.23

(Wall St. Jour., Feb. 26.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 48 Section 1 February 28, 1927.

MCNARY SEEKS NEW FARM BILL VOTE

Senator McNary, of Oregon, coauthor of the farm relief bill, hopes to obtain a vote in the Senate to-day on the question of passing the measure over the veto of President Coolidge, according to the press to-day. The report says: "There is no chance to obtain a two-thirds vote necessary to override the veto, but farm leaders again desire to place Senators on record."

IOWA GOVERNOR CALLS FOR NEW 1928 NOMINEE

A Des Moines dispatch to the press of February 27 says: "Governor Hammill of Iowa, who called the original Corn Belt Conference, which named the Committee of Twenty-Two, and launched the fight for agricultural relief legislation, served notice February 26 that the Middle West would seek a Presidential nominee at the next Republican convention 'whom the agricultural interests regard as in sympathy with their program.'...."

THE PRESIDENT ASKS FUND FOR RADIO LAW

President Coolidge February 26 asked Congress for $115,000 for administering the new White-Dill radio control act for the fiscal year beginning July 1, according to the press of February 27.

BOULDER DAM LEGISLATION

The press February 27 states that by decisive votes February 26 the Senate refused to impose closure on debate on the Boulder Dam bill, with indications that the measure will not be passed at the present session.

MUSCLE SHOALS LEGISLATION

The Senate agricultural committee February 26 favorably reported the Norris resolution providing for Government operation of the Muscle Shoals project for a period of 10 years and appropriating $13,000,000 for putting the plant in shape. (Press, Feb. 27.)

EDISON INVENTING RUBBER MACHINERY

An Associated Press dispatch to-day from Fort Myers, Fla., says: "Thomas A. Edison is working way past midnights in his laboratory here on an experiment which he believes will revolutionize the world's rubber trade and change the South from the land of cotton to the rubber producing center of the United States. The inventor yesterday showed newspaper men over a three-acre rubber tract on his estate here and briefly outlined his plans for a machine that will squeeze the juice from the rubber plants and greatly reduce the costly American labor charge, one of the chief stumbling blocks to previous domestic rubber projects...."

Section 2

Canner Problems

The press of February 25 says: "Canning crop growers, canners, representatives of the National and State Canners' Association and specialists on canning-crops production from the College of Agriculture and the New York State Agricultural Experiment Station met at the Experiment Station in Geneva recently to review the progress made during the past year in the study of canning-crops problems and to make plans for the coming season. Under special appropriations by the Legislature, investigations of certain canning crops troubles have been in progress on the station grounds and elsewhere in New York State for more than a year. Attention has been given especially to the study of diseases affecting peas and beans, the control of insect pests and methods of increasing production and lowering costs. While the results obtained so far are regarded by the specialists as merely indicating possibilities, the growers and canners alike felt that considerable progress was being made toward the solution of several important problems of the industry. One of the new lines of work to be begun this year is an extensive fertilizer test with various canning crops grown in rotation. Preliminary observations on the use of fertilizers point to promising results, and this feature of the work is expected to have a very practical application to canning crops production...."

Cotton Utilization

An editorial in The American Fertilizer for February 19 says: "Reports from several points in the Cotton Belt indicate that a number of fertilizer manufacturers are using cotton bags for the shipment of part of their mixed goods. Most manufacturers had bought at least a part of the burlap bags required for their spring trade before the use of cotton bags was proposed. The new container will receive a sufficient test to guide the manufacturers in contracting for their next year's supply. There is no doubt about the cotton bags carrying well. It remains to be seen whether the farmers will prefer them to burlap for re-use, or whether the use of cotton will have a psychological sales value which will warrant its use at a higher cost than burlap...."

Dairy Cattle Registration

An editorial in The Western Breeders Journal for February 10 says: "Particularly in the Holstein fraternity the question of selective registration is now coming in for a great deal of discussion. In December the Holstein-Friesian people had a conference in Chicago devoted to the consideration of this new development, and a great many of the breeders, although not quite ready for its adoption, strongly favored it in principle. The Holstein-Friesian Association of Canada has already applied the principle of selective registration to bulls, and apparently the Canadians are now prepared to include the females in the system. The plan appears to have given satisfaction in Canada. The bull is registered in accordance with two factors; its type conformation and the demonstrated productive ability of its ancestry. Such a system, of course, tends to compel breeders to test their females, which is excellent under certain circumstances. It has had, also, a definite educational value, in that the association representative designated to examine and report on the bulls has an exceptional opportunity to enlighten many of the smaller breeders whose ideas as to type may be vague and inaccurate....We believe that the first requirement of progress in this direction is to take steps to make official testing easily accessible

to the average breeder, and easily comprehensible to the average farmer-dairyman. Selective registration which, in our opinion, is absolutely right in principle, could then follow with little difficulty."

Distribution Although the business machinery for carrying goods from producer to consumer may become more complicated, new efforts towards establishing better trade relations between manufacturers, wholesalers, and retailers will result in smoothing out the flow of the Nation's merchandise, Alvin E. Dodd, manager of the domestic distribution department of the United States Chamber of Commerce, predicted in an address February 24 before the Wholesale Stationers Association of the U.S.A. Describing the changes which the coming generation might expect, Mr. Dodd said he foresaw the formation of joint trade relations committees in each trade as one of the greatest factors in tightening the links in the distribution chain. Mr. Dodd outlined the procedure for formation of these committees in the various trades, "composed of approximately three wholesalers, three manufacturers and three retailers," which will take the lead in ironing out misunderstandings that arise between distributors. Declaring that distance is one of the chief causes of these misunderstandings, he said: "One of the least comprehended elements in distribution is distance--the distance from the manufacturer to the consumer--and I am inclined to believe it is the most important element. These distances increase immeasurably the difficulties of the transactions which must take place in the distribution of merchandise. Perfectly honest misunderstandings arise which never would intrude into transactions if they were conducted face to face. The question asked most often in respect to trade relations is why the existing trade associations are not able to correct whatever difficulties are experienced in an industry. The reason is a very simple one. Almost all trade associations have consisted entirely of one class--all wholesalers, all manufacturers or all retailers."

Flour Speculation An editorial in The Northwestern Miller for February 23 says: "Probably the greatest single factor among all those which produce unsatisfactory conditions in milling and the flour distributing trade is the extent to which flour has become a speculative commodity. A fairly large part of the product of mills still is sold and goes into distribution to supply current needs; but another and steadily growing percentage is dealt in primarily on a speculative basis, with widespread and very great injury both to millers and to those who compose the machinery of distribution. In every year a substantial part of the entire year's sales are concentrated into a few weeks of August, September and October. Depending upon the wheat price and the general sentiment toward its strength or weakness, from four to six months of the production of a large number of mills in contracted for shipment within this limited 'buying season.' Contracts made at that time are for shipment over various periods, not infrequently extending well toward another harvest. Sellers, so far as they are able, safeguard their contracts by purchase of wheat in cash or futures. Buyers make no pretense of insuring business safety, but frankly buy in hope of an advance in price... Where and when corrective changes can be brought about none can

undertake to say. Perhaps millers prefer conditions as they are, counting on their own superior trading acumen to overcome the obvious hazards of customs which exist to the same degree in no other basic industry. Perhaps, on the other hand, they are simply yielding to the dictates of things as they are because there is not within the industry the ability to generate corrective forces. Either way, it must be admitted that, as things stand, flour is more largely a speculative commodity than an article of commerce produced and distributed against current requirements. And to this speculative factor must be attributed much of the fault finding with conditions in milling."

Freight Rates An editorial in The Farm Implement News for February 17 says: "It is claimed by a spokesman for the railroads that freight rates at present are only 34 per cent above pre-war and that farm products are, or were at the time the statement was made, 35 per cent above pre-war. It is therefore contended that the purchasing power of farm products as applied to railroad transportation is more than 100 per cent.....If the railroads would make a material reduction in the rates on farm products for a period of a few months it would be of great help to agriculture, but instead of considering even that concession they are trying to put over certain changes in classifications and ratings which would increase the farmers' cost of the equipment he requires to carry on his operations. Instead of trying to lighten the burden of the farmer they seem to be bent upon enlarging it to their own advantage, or what they think is to their advantage. If the Interstate Commerce Commission permits them to do this, we shall be forced to agree with Herbert Quick, who, in his book on farmers' troubles, said that the commission is always 'prorailroad.'"

French Prices The index of wholesale prices for France as compiled by the French Government Statistical Office for the month of January 1927, and transmitted to the Bankers Trust Company of New York by its French information service, shows a decrease of 5 points when compared with that of the preceding month--635 as against 640 in December, 647 in January 1926 and 525 in January 1925.

Section 3

Department of Agriculture In an editorial on the grazing fee decision, American Forests and Forest Life for March says:"...Many persons, no doubt, will feel that the Secretary of Agriculture has been too lenient in his methods of applying the determined value of national forest forage. This seems to us of minor importance. Of far greater importance is the definite settlement of the grazing fee issue which has been the red brand in a long grazing controversy characterized by inaction on the part of the Federal Government and political maneuvering on the part of the stockmen. The schedule of fees which Secretary Jardine has established may or may not represent the full value of the range, but in the view of the Chief Forester it does represent fair compensation under the social and economic conditions which must be considered in administering the national forests. That principle, once established and accepted by both the stockmen and the public, should provide a common ground on which all other grazing questions can be speedily and fairly adjusted, and the national forests developed to their highest public usefulness."

Section 4
MARKET QUOTATIONS

Farm Products For the week ended Feb. 26: Chicago livestock quotations on top price of hogs about 25¢ lower than last Saturday. Beef steers are 25 to 35¢ higher, heifers about steady, cows 10 to 15¢ higher; vealers and heavy calves about steady, stocker and feeder steers slow, steady. Fat lambs 50 to 75¢ higher, yearling wethers around 50¢ higher, sheep strong to 25¢ up and feeding lambs 25 to 50¢ higher for the week. New York wholesale fresh meat markets, western dressed good grade meats, 50¢ to $1 higher on steer beef, $1 lower on veal, $3 higher on lamb, $2 higher on light pork loins and $1 higher on heavy loins and on mutton, compared with a week ago.

Maine sacked Green Mountain potatoes 5¢-25¢ lower at $2.35-$2.75 per 100 pounds in eastern cities; bulk stock mostly $1.80 f.o.b. Presque Isle. Wisconsin sacked Round Whites declined 5¢-10¢ in Chicago carlot sales. Apple markets steady. New York Danish type cabbage fairly steady at $16-$22 bulk per ton in distributing centers; Texas domestic type $30-$45 in the midwestern cities; $10-$12 f.o.b. Onions markets dull. New York and midwestern yellow varieties sold mostly at $2.25-$2.75 sacked per 100 pounds in consuming centers and at $2.35-$2.60 f.o.b.

Butter markets were firm for a larger part of the week but following price advances the situation became unsettled and some price declines were noted. Production is showing a gradual increase but is still below the level of a year ago. Storage holdings continue to be rapidly reduced. Foreign butter was offered at attractive prices but little interest was shown.

Cheese markets were steady following the declines of the past few weeks, and prices on the Wisconsin cheese boards, at the meetings of February 25, were unchanged. Trade continues quiet and production which is below last year is not showing much tendency to increase as yet.

Average price of Middling spot cotton in 10 designated markets advanced 27 points during the week, closing at 13.73¢ per lb. March future contracts on the New York Cotton Exchange advanced 30 points, closing at 14.08¢, and on the New Orleans Cotton Exchange they advanced 36 points, closing at 14.13¢.

Hay market slightly lower on liberal receipts and slack demand. Farmers pressing surplus on market, shipping inquiry quiet. Timothy steadier to easier with receipts more than equal to current needs. Alfalfa in fair demand, low grades hard to move. Prairie steady because of limited receipts but low grades selling with difficulty.

Feed market barely steady past few days with exception of erratic advance in cottonseed meal, which is sharply higher, apparently more because of some dealers buying back contracts than because of active consuming demand. Wheatfeeds quiet at practically steady prices. Hominy feed dull. Alfalfa meal slightly lower. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Feb. 26,	Feb. 25,	Feb.26,1926
	20 Industrials	160.83	160.68	154.68
	20 R.R. stocks	127.24	127.00	107.68

(Wall St. Jour., Feb. 28.)

DAILY DIGEST

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Vol. XXIV, No. 49 Section 1 March 1, 1927.

HOUSE PASSES BUILDING PROGRAM BILL

The Washington Post to-day reports: "By a vote of 240 to 21, the House yesterday passed a bill appropriating $19,878,-700 to start work on the Government's $165,000,000 public building program. Of the initial sum, $2,275,000 would be spent in the District...."

The Congressional Record for February 28 reports that of this sum $100,000 would be spent toward the construction of the central part of the administration building of the Department of Agriculture, and toward the construction of an extensible building, $500,000.

WALSH URGES ECONOMIC INQUIRY

A thorough investigation into economic conditions of agricultural and cotton producing industries, and the extent of unemployment is the object of a resolution yesterday by Senator Walsh of Massachusetts, according to the press to-day.

PUBLIC LANDS

The Senate public lands committee yesterday recommended an investigation of charges that certain lands ceded by Mexico to the United States are unlawfully held by private interests, according to the press to-day.

GRAIN RATES

The plea of Baltimore and Philadelphia for continuation of the preferential grain freight rates they now enjoy over the ports of Boston and New York now is in the hands of the Interstate Commerce Commission for a decision. (Press, March 1.)

BUSINESS CONDITIONS

A summary of general business and financial conditions throughout the several Federal Reserve Districts, based upon statistics for the months of January and February, contained in a report of the Federal Reserve Board, issued yesterday, says: "Industrial activity has been slightly larger since the turn of the year than at the close of 1926. Seasonal liquidation of reserve bank credit has been in unusually large volume owing chiefly to the inflow of gold from abroad, and conditions in the money market have been easy. Wholesale prices have continued to decline. Output of factories was larger in January than in December, but smaller than in January, 1926 or 1925. Mineral production, though somewhat below the December level, continued in unusually large volume, reflecting the maintenance of production of bituminous coal, crude petroleum, and copper. Manufacture of iron and steel, which was sharply curtailed in December, increased in January and February. Automobile output was increased considerably from the unusually low level of production reached last December, but the number of passenger cars produced since the beginning of the year has been smaller than for the corresponding period of the past four years. The textile industries have continued active since December without, however, showing the usual seasonal increase...."

Section 2

Corn Borer Control

An editorial in The Ohio Farmer for February 26 says:"...The Federal Department recognizes the principle that farmers within the quarantine area should receive some compensation for extra work involved in complying with corn borer regulations. This is sound as farmers within the area are under a handicap as compared with their brethren outside, while the corn borer control work is on behalf of the farmers outside as well as those inside the lines. There is no reason why the Ohio Legislature should not pass the act before it if that meets the situation, because every sensible effort must be put forward to keep the corn borer under control. Personally we would favor placing the administration of the corn borer control work under the direction of the Federal Department, but that is a question for the legislature to decide. If it decides that the people of the State have confidence in the administration of the State department then it will lodge the authority there...."

Farm Accounts.

An editorial in The Michigan Farmer for February 19 says: "Farming is, to a great extent, rather an unorganized business, especially from the standpoint of the individual. It has been hard for the farmer to know where he is at because he did not know definitely whether he was making or losing, or how much. The lack of definite information on such matters has been a handicap....The hope of the future is the interest taken in these things, for such things as cow testing associations, and other record-keeping phases of farming, are already causing radical changes in farm practices. Those things are making farming more successful. We have never yet seen a successful farmer who did not keep some kind of accounts which would give in a nutshell the degree of his success."

Farm Relief and the Law

An editorial in The Journal of Commerce for February 28 says:" ....There is a strong possibility that the farm bloc will keep on trying and that it may some time succeed in enacting an identical or similar price-fixing scheme in the face of a Presidential veto. In view of this danger, the opinion of the Attorney General will bring consolation to those who foresee a continuation of the long struggle over farm relief. Fortunately objections to the McNary-Haugen bill on strictly legal grounds seem so irrefutable that it, or any measure remotely resembling it, would appear to have slight chance of escaping demolition at the hands of judges and lawyers should it ever reach the statute books. The Attorney General says, in the first place, that the limitations placed by the law upon the selection of members of the Farm Board are plainly in violation of the Constitution. ...."

Federal Hay Grades

An editorial in The Pacific Rural Press for February 19 says: "California is lagging in the matter of hay grades. While all our other major crops are standardized, hay, our biggest crop, remains unstandardized. Perhaps it is fair and accurate to say that hay to-day is relatively in worse shape than grain was in the old days before Federal grain grades were established....If California hay growers obtain any relief from the present legislature they will have to take the initiative, for hay dealers will not. The dealers will make use of Federal grades in selling on Army contracts because the Army will accept hay on no other basis, but apparently

the dealers would rather continue to buy on their own grades. Federal hay grades are coming, no doubt whatever about that. The Nation is falling into line. California will have to come in sooner or later. But why not sooner? The answer seems to be that growers have not yet asserted themselves."

Fertility Cost

An editorial in The Pennsylvania Farmer for February 19 says: "The figures show that if all the fertilizer used in the United States was equally distributed over all the acres farmed, each acre would receive a little less than six and one-half pounds,--not enough to make any appreciable difference in yields. Compare this amount with the applications in other countries and we find a striking difference. On the same basis Holland uses 647 pounds, Belgium 513 pounds, Germany 200 pounds and Italy 50 pounds. 'But,' some will say, 'our land is naturally richer and does not require such heavy applications.' But will it be richer when it has been cropped as long as some of the European land? The chances are that it will not. American farmers are drawing on their reserve capital and should charge against their crops a sum equal to the cost of fertilizer necessary to maintain the fertility of their land. The European farmers are supplying plant food through their pocketbooks, while the American farmers are drawing it out of their soil. The cost is the same either way."

Production Control

An editorial in The New England Homestead for February 19 says: "Two factors largely control production--1, acreage, which the farmer controls; 2, yield per acre, which is governed partly by the cultivator, largely by weather which is beyond control. One year with another, acreage, seed and culture govern one-half to two-thirds of the production of most crops. Hence by controlling (keeping down) production, farmers have two chances out of three of likewise limiting the surplus. Thus in 1926, New England tobacco growers cut acreage, reduced yield, improved quality of crop and netted more for a moderate supply than for an over-big crop and burdensome surplus. The same result has occurred frequently with potatoes, onions, many other money crops and staples. Arthur P. Chew urges that to regulate production is far simpler than any organized or governmental method for disposing of overproduction. As he says, it should be feasible for the Department of Agriculture to forecast by April the probable supply of the various annual crops needed next autumn to supply demand. By limiting acreage accordingly, only unusually favorable weather would then cause too much surplus. To this end the department's preliminary forecasts for the 1927 season already advise fewer acres of many crops."

Tested Milk Consumption Increase

An editorial in The Iowa Homestead for February 17 says: "One of the factors connected with the present plan of ridding the State of bovine tuberculosis that has never entered the minds of those who opposed the project, is the possibility of a material increase in the consumption of dairy products when this disease has been eliminated from all our cattle ...At any rate since Chicago passed the ordinance prohibiting milk from untested cows to be shipped into the city the consumption of fluid milk has increased....Generally speaking Iowa farmers are to be congratulated on their willingness to have their herds cleaned up, which is making it possible for the work of eradication to go forward with commendable speed. Ever since the Chicago ordinance of requiring milk from tuberculin tested herds went into effect, shipments of Iowa milk have gone to that city daily, while

dairymen in the vicinity of Chicago, who have opposed testing in the past, have been forced to sell their product for butter-making purposes."

Wheat Conditions

An editorial in The Wall Street Journal for February 26 says: "Wheat prices are maintaining a fairly uniform level. This indicates that there is no change of importance in domestic or international conditions. Apparently, there is no scarcity in the world supply. The difference in the distribution as compared with the 1925 crop and an apparent increase in foreign consumption are resulting in an increase of exports compared with the preceding year. But the supply is sufficient and the world carryover should be equal to if not larger than a year ago. Any decided changes in our domestic market, therefore, aside from unexpected political or business happenings, must be found in the crop outlook. Get first the world picture: The latest official revision places the 1926 wheat crop, exclusive of Russia and China, at 3,441,000,000 bushels, compared with 3,400,000,-000 the preceding year. Compared with the total the difference is almost negligible. The Southern Hemisphere crops are larger than previously estimated. Argentina is now credited with a crop of 222,850,000 bushels and Australia 164,000,000. The two have about 16,000,000 bushels more than indicated by the earlier estimates. Russia also is expected to have more wheat for export than a year ago. ...The United States is doing a heavy foreign business. Exports of wheat and flour for seven months ending with January were 157,126,000 bushels against 65,536,000 a year ago. It is probable that the February movement will bring the total close to 170,000,000 bushels, or 100,000,000 more than in 1926...."

Section 3

Department of Agriculture

An editorial in The New York Times for February 28 says:"On the afternoon before the President's veto of the McNary-Haugen bill was announced, Mr. R.W.Dunlap, the United States Assistant Secretary of Agriculture, was making an address on 'Our Basic Industry' out in Kankakee, Ill. In the course of it he said that no legislative proposal had thus far been able to command support by even approximately a majority of the farmers. The farm organizations themselves had not given united support to any measure presented in Congress. The largest of these organizations (one which has a membership larger than the combined membership of the next two in size) was, in fact, opposed to the McNary-Haugen bill. But the united membership of all the farm organizations would have represented only about one-fifth of the total agricultural population of the country....Despite all the farmer's ills, so strong are the social and industrial ties which bind farmers to their work that, as Mr. Dunlap says, it is only by severe discouragement that they are driven to seek other kinds of work. 'Frequently nothing short of bankruptcy can make them change.' This doesn't comport with the usual view that everybody is looking toward the city. It would appear from this analysis, however, that it is the increased per capita productivity of the farm worker (which is greater by half than it was fifty years ago), with the practically unchanged per capita consumption of farm products and the diminishing proportion of farm product exports, that is driving men away from the farms into industry. In the face of these conditions there is bewilderment and for many despair. But such help as the farmers can have in making the

readjustment is to be had not from Congress, but from the Department of Agriculture, either in direct advice or in such indirect assistance through Congress as will enable the farmers to fight pests, set up and operate the machinery of cooperative marketing, and then have freedom to minister to the needs of a world that should be better nourished. Judged by the view of this American agricultural expert the prospect is not so bad after all. He makes this hopeful prophecy: 'With the country looking to the farmer for food, with the business of the country depending on him for general prosperity, and with the farmer assured of the assistance of the Federal Government in striving to improve his economic status, we can not doubt the future of agriculture. The bottom of the grade is an unpleasant place to be, but we have the vision of a right of way before us which is distinctly upgrade, and the obstacles can be removed if they are wisely tackled. The time must come when the farmer can hold the throttle of his own affairs and travel into the future with the confidence that rural America is destined for better and happier things.'"

Section 4
MARKET QUOTATIONS

Farm Products

Feb. 28: Livestock quotations at Chicago, on top price of hogs at $12.15.

Maine sacked Green Mountain potatoes $2.35-$2.65 per 100 pounds in eastern cities; bulk stock mostly around $1.80 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.75-$2 on the Chicago carlot market; $1.65-$1.70 f.o.b. Waupaca. Maryland and Delaware yellow variety sweet potatoes $1.25-$1.65 per bushel hamper in eastern markets. Tennessee Nancy Halls $1-$1.15. New York Danish type cabbage $15-$23 bulk per ton in terminal markets; $11-$12 f.o.b. Rochester. Texas domestic $40-$45 in midwestern cities; $10-$12 f.o.b. New York Rhode Island Greening apples firm at $4-$4.75 per barrel in city markets; Baldwins $3.50-$4.25. Michigan Ben Davis $3-$3.50 in Chicago.

Closing prices on 92 score butter: New York 51¢; Chicago 50¢; Philadelphia 51½¢; Boston 51½¢.

Closing prices at Wisconsin primary cheese markets Feb. 26: Single Daisies 23¢; Longhorns 23¼¢; Square Prints 23½¢.

Average price of Middling spot cotton in 10 designated markets advanced 17 points, closing at 13.90¢ per lb. March future contracts on the New York Cotton Exchange advanced 10 points, closing at 14.18¢, and on the New Orleans Cotton Exchange they advanced 8 points, closing at 14.21¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.38-$1.45. No.2 red winter Chicago $1.35. No.2 hard winter Kansas City $1.31-$1.36. No.3 yellow corn Chicago 68¢; Minneapolis 69¢; Kansas City 72¢. No.3 white oats Chicago 43¢: Minneapolis 43¢; Kansas City 44¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Feb. 28,	Feb. 26,	Feb. 27, 1926
20 Industrials	161.96	160.83	154.45
20 R.R. stocks	127.76	127.24	107.96

(Wall St. Jour., March 1.)

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Vol. XXIV, No. 50 Section 1 March 2, 1927.

THE PRESIDENT NOMINATES RADIO COMMISSIONERS

Choosing from a field of more than 900, President Coolidge yesterday picked the five members of the new radio commission and sent the nominations to the Senate for confirmation before adjournment of Congress, Friday. The President's selections were: Rear Admiral William H. Bullard, retired, of Media, Pa., six year term; Orestes H. Caldwell, of Bronxville, N.Y., five years; Eugene O. Sykes, of Jackson, Miss., four years; Henry A. Bellows, of Minneapolis, three years; John F. Dillon, of San Francisco, two years. One nominee is from each of the five districts into which the United States was divided by the radio control act. In choosing his commission, which will have wide control powers, President Coolidge carried out his intention of selecting men experienced in radio communication or familiar with the legal and business conditions surrounding the industry. (Assoc. Press, March 2.)

IN CONGRESS.

The second deficiency bill ordered reported in the Senate yesterday carried a total of $93,716,752, this being $29,565,334 in excess of the House bill, according to the press to-day.

Among the bills passed by the Senate February 28 were the following: The joint resolution to provide for the observance of "Agricultural Day;" a bill authorizing investigation by the Secretary of the Interior and the Secretary of Commerce, jointly, to determine the location, extent, and mode of occurrence of potash deposits in the United States, and to conduct laboratory tests; the bill authorizing the establishment of a migratory bird refuge at Bear River Bay, Great Salt Lake, Utah; the bill to provide for the creation of the Pan American Peoples Great Highway Commission. (Cong. Rec., Feb. 28.)

Among the bills passed by the House February 28 were the following: The bill authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton; the bill to add certain lands to the Missoula National Forest, Montana; the bill to provide for the addition of certain land to the Challis National Forest; the bill authorizing an appropriation of $50,000 to enable the Secretary of Agriculture to cooperate with the South Carolina Agricultural Experiment Station; the bill to authorize the appropriation, for use by the Secretary of Agriculture, of certain funds for wool standards; the bill to provide for the collection and publication of statistics of tobacco by the Department of Agriculture; the bill providing for horticultural experiment and demonstration work in the southern Great Plains area. (Cong. Rec., Feb. 28.)

The House interstate commerce committee yesterday ordered favorable reports on the Senate joint resolution forbidding Federal Power Co. from issuing licenses on the Colorado River and its tributaries until February 1, 1928; authorizing reduced freight rates in emergency cases; the joint resolution directing the trade commission to investigate activities of persons or corporations engaged in crushing, refining and marketing cotton seed. (Press, March 1.)

BOULDER DAM BILL ABANDONED

The Associated Press to-day reports that the Republican steering committee of the House yesterday definitely side-tracked the Swing-Johnson Boulder Canyon dam bill for this session.

Section 2

Chamber of Commerce Forestry Program

At the request of member organizations, the Chamber of Commerce of the United States is carrying on campaigns in South Carolina and Delaware for the enactment of bills pending in the legislatures providing for the establishment of State forestry departments. Among other items, its forestry referendum recommended the establishment of State forestry commissions and departments; more efficient fire prevention measures and fair systems of forest taxation. In a letter to chambers of commerce in South Carolina, emphasizing the value of forestry legislation, as embodied in the forestry bill introduced in the General Assembly, the national chamber points out that "South Carolina is one of the important lumber producing States. Its annual production of forest products is a material contribution to the wealth of the States. By constructive action, this contribution can be increased considerably."...."At present," the letter continues, "13 per cent of the State is lying idle and 36 per cent is producing timber at much less than the normal rate. This is due to the lack of fire prevention, reforestation, insect control and education in how to grow crops of trees. Estimates indicate that 60 per cent of the State is unsuitable for agricultural use but can be made to produce continuously profitable crops of merchantable timber. Yet, South Carolina is one of the few States that has not moved actively....." In a similar letter to the chambers of commerce of Delaware, the United States Chamber of Commerce indorses the general principles embodied in Senate Bill No. 16, now pending in the General Assembly of Delaware. This bill provides for the establishment of a State forestry department to promote and encourage production and protection of timber and the general practice of forestry by the State and by individuals. Further, it provides for closer cooperation between the Federal Government, State departments and individuals, and also for a system of forest taxation to promote the purposes set forth in the bill. The letter to the Delaware chambers of commerce stresses the fact that "Delaware has 350,000 acres of wooded areas, representing approximately 28 per cent of the total area of the State. Manufactories, using wood as their raw material, are important contributors to the wealth of the State. It is clearly to the interest of the State that every acre within its boundary not suitable for agriculture should be made produce continuously profitable crops of merchantable timber."

Cotton Conditions

An editorial in The Wall Street Journal for February 28 says: "Prices of raw cotton are showing remarkable strength in a market that is steady, although decidedly dull. Since the first of the year an upward movement has taken place, and this has been effected by slight upturns, amounting since January 1 to less than a cent and a half a pound for spot cotton and for old and new-crop months. Cotton is apparently marking time until sufficient facts become available to arouse interest in the new crop. Two explanations are offered in the cotton trade for the present strength and steadiness of prices. One, which has to do with the technical position of the market and the situation in which hedgers for the mills find themselves, is that mill men were so impressed by the size of the old crop that they did not take sufficiently into account the revival that is taking place in the cotton goods trade, that they fixed their prices for cotton goods so as to afford only narrow margins of profit, and are therefore eager to buy up contracts in futures on price recessions.

The other explanation for the strength of the market is based on the favorable conditions that have arisen to affect the demand for actual cotton. Trade conditions are highly satisfactory in domestic markets for cotton goods. Sales during January reached a record volume, according to the Association of Cotton Textile Merchants of New York. Consumption by mills of the United States for the six months ended January 31 was 3,434,000 bales, against 3,180,434 in the period a year ago. At Liverpool the market has been showing high activity, with a strong demand for spots. Reports from Lancashire are optimistic. Exports from the United States so far this season are about 1,600,000 bales over a year ago. With the coming of spring, however, and the pitching of the new crop, uncertainty will prevail as to the supply side of cotton. October, the first active month for the new crop year, selling on the New York Cotton Exchange at a price above 14 cents since February 3, has kept at a narrow premium over the old-crop months. In the closing days of March, with its reports of weather conditions, of preparations for planting and of planting progress, it will be possible to get an inkling as to prospects for the new crop, and from then on price of the old as well as the new crop will be affected by these reports from the Cotton Belt. Meanwhile, the cotton market is marking time."

Edison's Rubber Experiment

A Fort Meyers, Fla., dispatch to the press of March 1 says: "Thomas A. Edison, who announced on Saturday that he and Henry Ford were experimenting here on three acres of the Edison estate in the growing of rubber from a 'vine,' which might revolutionize the world's rubber trade and change the South from a cotton to a rubber producing region, disclosed further details of the project February 28. He said the vine was grown from Madagascar seed, of which he had planted 500 pounds on three acres and that 150 pounds more were on the way from Africa, although some local stock could be used for extension of the acreage at Fort Meyers and at Pensacola, which he and Mr. Ford contemplate. The vine, Mr. Edison said, was apparently a perennial which would grow without replanting and could be harvested annually without further cultivation....Mr. Edison said he was designing a combination reaper and press which Mr. Ford would build, and which would produce the crude rubber in one operation, thereby saving labor charges which have been considered an insurmountable obstacle to the production of rubber in this country. He made it plain that both the plants and the machine were in an experimental stage, but he felt that it was carried far enough to justify confidence that the work would be successful....."

Farm Estimates

An editorial in The Pennsylvania Farmer for February 26 says: "Statisticians have estimated that the farmers of the Nation will receive, for the year ending June 31, 1927, about ten billions of dollars. Analyzed by States it is shown that Iowa leads the list, the estimated amount being $701,000,000. For Pennsylvania the figures are $292,000,000, or about $1,500 for each of the 200,000 farms if it were divided evenly among them. Of course, in arriving at these figures no credit is given for food consumed on the farm, nor for house rent, etc. But on the other hand, the costs of production are not charged against these amounts. Curiously enough, the average cash returns per farm in Pennsylvania are practically the same as the average for the whole United States."

Future Trading

In an editorial entitled "Worrying About Futures," The Journal of Commerce for March 1 says:"....A great deal of the speculation on our produce markets comes in fact from actual growers of the products themselves. Much of the trading in cotton comes from the cotton regions, of wheat from the Northwest, while that in sugar quite as often as not originates with large plantation owners who think they know all about the staple and its prospects....Speculation is confined to no class. It is a condition which is widely diffused throughout the whole country, is found among growers, shippers and dealers in the products that are traded in and is probably only in a lesser degree practiced by consumers or middlemen....The proper method for controlling speculation is not that of prohibiting it, but is that of regulating the amount of funds that are made available for speculation. 'Carrying' or dealing in products helps to equalize their price and renders a genuine economic service. Up to a certain point it should be properly financed by the bank, but beyond that it has no more right to draw upon the funds of the community than have other occupations. Satisfactory banking oversight keeps speculation within bounds and enables it to render its best service."

Livestock and Meat Situation

A review of the livestock and meat situation, issued February 28 by the Institute of American Meat Packers, states that generally unsatisfactory conditions continued to characterize the wholesale meat trade during the months just closing. The demand for beef was somewhat restricted, and pork operations, on the basis of quotations prevailing throughout the month, were conducted at a loss. In the domestic market there was a little better demand for fresh pork than was true during January. In the export field, the dullness which has characterized the trade for several months continued, and the volume of the trade was relatively small.

Peanut Trade

Annual consumption of peanuts in this country is estimated at approximately 533,000,000 pounds, of which the domestic production is about 494,000,000 pounds, according to the Department of Commerce. In comparing the five-year period of 1921 to 1925 with the preceding five years it is found that the average apparent consumption decreased from 7.2 pounds (shelled basis) to 4.8 pounds. This decrease, however, does not indicate any loss of consumer favor for peanuts as a food. It is accounted for largely by a decrease of nearly 50 per cent since 1917-18 in the United States acreage planted to peanuts. This acreage has been diverted mainly from areas under peanuts for hog fattening and for oil crushing to other crops. China is the leading source of imported peanuts. Last year, however, imports fell much below the 1925 figures as a result of the disruption of traffic and the interference with agriculture incident to the military disturbances in that country.

Section 3

Department of Agriculture

An editorial in The Price Current-Grain Reporter for February 23 says: "In its agricultural outlook for 1925, the United States Department of Agriculture gave the following bit of advice to cotton growers. 'Producers in those sections of the belt where conditions are favorable for cotton production at present prices would be justified in planting not to exceed their 1924 acreage.' The value placed upon that very definite suggestion is shown by the

fact that the December revised estimate of cotton for harvest showed an increase over the previous year of 4,585,000 acres, an increase of more than 11 per cent. In its agricultural outlook for 1926, the department warns growers that production on an acreage as large as that of 1925 could easily result in a price too low to render a profit to a large number of producers. Again no heed was given to the advice, the December 1, 1926, figures showing an increase of 1,600,000 acres over those for the previous year. An important phase of this last increase is that it was not confined to one or two States where unusually favorable conditions might have been an inducement, but was very general, eleven of the sixteen principal cotton producing States having a greater acreage in 1926 than in 1925. Cotton growers and all of the other farmers are possessed of natures similar to those of the rest of humanity and the most of us, under like circumstances, would do much as the cotton planters have done during the past two years. We would say that if a lot of the other fellows were going to cut down on production, prices would go up and we would make some extra money by increasing our own output...."

Section 4

MARKET QUOTATIONS

Farm Products Livestock quotations in Chicago on top price of hogs $12.25. Beef steers, choice $11.50 to $13.35; good $9.85 to $12.50; medium $8.60 to $11.10; common $7 to $9; heifers, good and choice $7 to $10.50; common and medium $5.75 to $8.25; cows, good and choice $6.50 to $8; common and medium $5.15 to $6.50; low cutter and cutter $4.25 to $5.15; vealers $9.50 to $15.50; heavy calves $7 to $9; stockers and feeders $6.25 to $9.10; fat lambs $13.50 to $15.65; yearling wethers $11 to $13.65; fat ewes $6.75 to $9.50; feeding lambs $13 to $14.90. Wholesale prices on fresh western dressed meats at New York are: Steer beef $16 to $17; veal $20 to $23; lamb $25 to $28; mutton $15 to $17; light pork loins $23 to $27; heavy loins $19 to $22.

Maine sacked Green Mountain potatoes $2.35-$2.65 per 100 pounds in eastern cities; bulk stock $1.75-$1.80 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.75-$1.90 carlot sales in Chicago; few $1.55-$1.65 f.o.b. Waupaca. New York and midwestern sacked yellow onions ranged $2.25-$2.75 per 100 pounds in consuming centers; $2.40-$2.65 f.o.b. New York Danish type cabbage closed at $15-$23 bulk per ton in terminal markets; $11-$12 f.o.b. Rochester. Texas domestic type ranged $2-$2.75 per barrel crate in city markets. New York Rhode Island Greening apples sold at $4-$5 per barrel in city markets. Baldwins ranged $3.50-$4.25; cold storage stock $3.60-$3.75 f.o.b. Rochester.

Average price of Middling spot cotton in 10 designated markets advanced 21 points, closing at 14.11¢ per lb. March future contracts on the New York Cotton Exchange advanced 34 points, closing at 14.52¢. (Holiday in New Orleans)

Grain prices quoted: No.1 dark northern Minneapolis $1.39-$1.46. No.2 red winter Chicago $1.37. No.2 hard winter Chicago $1.38; Kansas City $1.32-$1.37. No.3 yellow corn Chicago 71¢; Minneapolis 71¢; Kansas City 72¢: No.3 white oats Chicago 45¢; Minneapolis 45¢; Kansas City 45¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 51 Section 1 March 3, 1927.

IN CONGRESS The House yesterday passed the Senate bill to prevent discrimination against farmers' cooperatives by boards of trade and similar organizations, according to the press to-day.

Congressional action was completed yesterday on the bill to authorize Government loans to former service men on their bonus certificates, the House accepting Senate amendments. The measure now goes to the President. (Press, Mar.3.)

The Associated Press to-day reports that the House military subcommittee, which has been considering disposition of Muscle Shoals, completed yesterday its report and decided to submit it to the full committee to-day. Acting Chairman James, of the committee, who also heads the subcommittee, said the report had not been signed as yet. He declined to discuss its recommendations, said it had been drafted in executive session and that no one was authorized to discuss it until after it had been presented to the full committee.

The press to-day reports that final passage was effected yesterday on the farmers' market site bill, which now authorizes the District of Columbia Commissioners to look over a site and report it back to the next session.

The retirement bill, sponsored by Chairman Lehlbach, of the House civil service committee, removes the 30-day period in which departmental chiefs must certify an employee approaching retirement age if he is eligible for the two years' extension of service, according to the press to-day.

Bills passed by the Senate March 1 included: The bill authorizing an appropriation of not to exceed $600,000 for the acquirement of a site for the farmers' produce market in the District of Columbia; the joint resolution to provide for the expenses of the participation of the United States in the work of the economic conference to be held at Geneva, Switzerland; the bill to permit the Secretary of Agriculture to extend Federal aid to highways that are constructed to toll bridges if the toll bridges are constructed by State, county of municipality; the bill authorizing an appropriation to enable the Secretary of Agriculture to cooperate with the South Carolina Agricultural Experiment Station. (Cong. Rec.,Mar.1.)

CORN KING HONORED An Associated Press dispatch to-day from Columbus, Ohio, says: "The commendation of a President has been added to the honors heaped upon Ira C. Marshall for his feat of growing more corn on an acre of land than any of his fellow farmers. For two successive years Marshall, whose farm is near Ada, Ohio, has been the world's corn king. He grew 168.66 bushels of corn to an adre on a ten-acre plot to earn the title for the second successive year after winning the 1925 world title with a yield of 160.1 bushels to the acre. The award was bestowed by Ohio State University with approval of the Department of Agriculture, and Marshall was summoned to Washington to tell President Coolidge of his feat. The secret of big corn production, Marshall says, is good seed, heavy application of fertilizer, and the rate of planting."

Section 2

Farm Business

An editorial in The Field (N.Y.) for March says: "Farming is a business inseparably linked with the home. Liquidation is, therefore, a slow process, for the last thing to go is the home, and the possessor will hold on in desperation. Hence he will forestall his creditors, hoping that good fortune will enable him to get out of his difficulties. Farmers of the Middle West have been holding on now for more than five years. Many of them have been forced to the wall. Each year brings a new crop of failures; others must follow. That is why those who still find themselves in bad case, as well as those who have failed, are restive and disgruntled. Their confusion of mind is reflected in the expedient and impracticable proposals advanced for Government aid. It is right and proper that farmers should have as favorable opportunities for financing as other business men enjoy. But no bank or banker can legally lend money without good security. The small town banker of the West has assumed too much; and in many instances his position is as precarious as is the farmer's....The frank and brutal truth of the matter is that farming must be revolutionized--converted from a hand-to-mouth, uneconomic occupation, into a strictly business enterprise. It is a slow, painful process, but it is the inevitable result of economic pressure. It is folly to expect that the weak will survive. There will be a gradual reduction in the number of farms and farmsteads. Perhaps every section will eventually have its cooperative farm organizations, which will work inter-dependently to plan crop schedules, handle and market the crops. In any event the overproduction problem will eventually be solved. There is no danger of a collapse in agriculture. The recuperative power and resources of the industry are now being tested to the fullest. The fittest will not only survive, but they will prosper. To believe otherwise, in a country so rich in resources, is inconceivable."

Farm Loans

An editorial in The Idaho Farmer for February 24 says: "'The Buhl National Farm Loan Association paid off more than it borrowed in 1926,' said L.G.Garner, who is associated in business with J.G.Adams, the secretary-treasurer, at Buhl, Idaho. This association is either the largest or next to the largest of its kind in the State. These gentlemen report that three loans were paid in full and four others were greatly reduced by payments on the principal, to say nothing of smaller amounts....Such institutions as the land bank and the intermediate credit bank are long steps toward the general betterment of the agricultural industry. Neither is perfect in its operation, but they have proved wonderfully successful in view of the short time they have been in operation and the stringent financial conditions through which they, along with other agencies and industries, have been compelled to pass...."

Grain Crop Outlook

An editorial in The Farm and Ranch for February 19 says: "Farmers who are planning to cut their cotton acreage by substituting grain and other feedstuffs may be disappointed in the markets if they are depending upon making them cash crops.....Texas and other Southwestern States will undoubtedly have a large acreage of feed and foodstuffs this year. In many sections there are no established markets for any farm commodity except cotton and livestock. Therefore, farmers must either locate a market or make preparations to feed and

store much grain and hay. In many cases it would be economy to store feeds, including grain, for future needs, for seasons are variable, and the season of 1928, should 1927 favor us with good yields, might not be so generous. Buying feed and food should never be practiced except in a very limited way on any farm in the Southwest. A farmer should be in the market only for such concentrates and such food as he finds can not be produced at home."

Monopoly Breaking

An editorial in The Country Gentleman for March says: "Ten months ago The Country Gentleman published an article by Julius Klein, Director of the Bureau of Foreign and Domestic Commerce, in which he pointed out the menace to America--and particularly the added burden on the American farmer's too lean pocketbook--in foreign government monopolies and price-fixing schemes in various necessary commodities. The end of that story is not yet written, but already American discovery, invention, business acumen and resources have smashed some of these foreign Molochs, and the remaining monopolies are tottering on their thrones. Especially those four that hit closest to the farmers--Chilean nitrates, Franco-German potash, British rubber and Yucatan sisal--are on the run. Chilean nitrate will stand always, probably, as the classical example of a perfect set-up for successful government monopoly.....Air fixation of nitrogen, forced to perfection by German chemists as a war necessity, has broken the Chilean monopoly. And the Chilean Government with a rapidly dwindling source of revenue is facing political difficulties. Obviously even the most perfect monopolistic set-up must guard itself vigilantly to hold its advantage. Chile with her busted nitrate monopoly, however, is not much worse off than the Franco-German potash combine. They, too, with all their experience and cleverness, overshot the mark. Potash is another world necessity. Before the war Germany possessed the only known workable deposits in the world.....Congress responded to the emergency and set the explorers of the United States Geological Survey at work. And these men with their core drills have discovered and mapped out deposits of potash salts in southeastern New Mexico and western Texas greater even than the deposits in Germany and France. So that now at any time the foreign-monopoly price is set too high we can open our own mines.....If government monopolies of minerals where the world's supply is contained within the borders of a single country are difficult to retain, what shall be said of governmental attempts to fix prices of agricultural products that may be grown in many countries? This is what Brazil has been attempting to do with coffee for a quarter of a century. In the decade prior to 1902 coffee production in Brazil doubled and on even the best-managed estates coffee prices dropped below cost of production. In their distress the producers demanded government relief. The first effort toward stabilization was a law passed by the state of Sao Paulo prohibiting the planting of coffee trees for five years....World production exceeds demand. It is estimated that Brazil now has almost a full two years' supply in her warehouses. Every time Brazil lifted the price growers all over the world profited and planted more trees. The outlook for Brazilian coffee planters, even with the government attempting to fix prices, is dark....The law of supply and demand, even though it is sometimes referred to disparagingly 'as the sacred cow of the economists,' is difficult to circumvent or repeal. At no distant date the British are likely to find jockeying the rubber market is not an easy road to

fortune....At the close of the war rubber was found to be another overexpanded industry. The price of the crude dropped as low as twelve cents a pound. The remedy applied was the Stevenson Act--an act restricting exports from British colonies. The avowed object was to stabilize the price of rubber at around thirty-six cents a pound. But within two years from its adoption speculators drove the price to $1.21 a pound. American consumers, being the chief sufferers, have been forced to adopt many measures for self-protection. They are buying as much as possible from the Dutch colonies, which refused to join with the British in a policy of restrictions; they are setting out large rubber plantations in Liberia and the Philippines; they have encouraged the guayule rubber industry; they have helped organize many small companies to gather wild rubber in the Amazon forests; they are practicing rigid economies and reworking upward of 200,000,000 pounds of old rubber a year, and recently they have organized a buyers' pool capitalized at $40,000,000. Unit buying thus made possible has driven all speculators out of the market. The effect of all these measures is that British control of rubber has fallen from seventy-three to fifty-three per cent.... Governments may be very powerful within their own domains, but when they venture outside brute force is not sufficient. Yucatan found that out with its sisal trust. It grew most of the henequen produced in the world and had a natural monopoly. But Yucatan never considered the combine harvester. The way the combine is going the grain growers of this country will not care three or four years from now how much Yucatan asks for sisal. The same sort of ingenuity that is breaking the sisal trust put the Japanese camphor monopoly out of business a few years ago. Japan owns nearly all the camphor trees in the world. The monopoly yielded rich returns. Finally the price was forced so high that something had to be done--and the chemists found a way to make camphor synthetically...."

Price Fixing An editorial in The Farm and Ranch for February 19 says:".. Do manufacturers fix prices on their products? No, they merely confirm the market price by putting price tags on their products in conformity with the demand and economic conditions which influence the market....Economic conditions combine to make the great price fixer. No manufacturer or merchant was ever able to fix an arbitrary price unless he produced some exclusive article in demand, or dominates the industry in which he is engaged. Even then his price tags reflect general economic conditions in his territory. Seemingly manufacturers fix prices, but in reality the price depends upon the demand for what they produce. Manufacturers, as a whole, are better posted on all matters affecting their business than is the farmer. They study commercial reports and read with care all printed matter which may have the least influence on the production and sale of their product. It can not be said that most farmers do this. Far too many farmers are of the opinion that they have learned all there is to know about production and marketing. Some even take pride in displaying an indifference to results obtained by scientists and specialists who have devoted a lifetime to production and marketing problems. While those engaged in other industries of less importance are able to cooperate and thereby overcome many difficulties, farmers, as a class, do not rally to each other's support, but each goes his own way, taking a gambler's chance on results."

Tuberculin Testing

An editorial in The Chicago Dairy Produce for February 22 says "....When the order for the tuberculin test in connection with Chicago's milk supply was issued, the matter was discussed all over the country. Many got the impression that Chicago was starting something new as well as drastic. Of large cities, Cleveland, Detroit, Louisville and Miami have similar ordinances and a recently issued Government report contains the information that 874 cities and towns have ordinances requiring tuberculin testing of cattle furnishing milk for consumption. Besides there are 375 towns that provide an option between tuberculin testing and pasteurization. And there are 14 States that have laws requiring tuberculin testing of cattle. The fact that 1,249 municipalities have taken these steps to safeguard their milk supply indicates a pretty strong public sentiment in favor of these measures, and especially tuberculin testing, that entitles the matter to more attention and thought than the butter interests are giving it."

Section 3
MARKET QUOTATIONS

Farm Products

March 2: Livestock quotations at Chicago on extreme top paid for hogs $12.50.

Maine sacked Green Mountain potatoes $2.30-$2.65 per 100 pounds in eastern markets; bulk stock $1.75-$1.85 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.75-$1.90 carlot sales in Chicago; $1.50-$1.65 f.o.b. Waupaca. Cabbage stronger. New York Danish type mostly $18-$22 bulk per ton in terminal markets; $12 f.o.b. Rochester. Texas round type $2.25-$2.75 per barrel crate in city markets; 90¢-$1.00 f.o.b. Florida pointed type $1.25-$2.15 per 1½ bushel hamper in the East. Midwestern yellow onions $2.25-$3.15 sacked per 100 pounds in consuming centers. New York Baldwin apples $3.50-$4.25 per barrel in a few cities; cold storage stock $3.65-$3.75 f.o.b. Rochester. Michigan Ben Davis $3-$3.50 in Chicago.

Closing prices on 92 score butter: New York 50¢; Chicago 49½¢; Philadelphia 51¢; Boston 51¢.

Closing prices at Wisconsin primary cheese markets March 1: Twins 22¾¢; Single Daisies 23¢; Double Daisies 22¾¢; Longhorns 23¼¢; Square Prints 23¼¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.39-$1.46. No.2 red winter Chicago $1.36. No.2 hard winter Chicago $1.38. No.3 yellow corn Chicago 70¢; Minneapolis 70¢; No.3 white oats Chicago 45¢; Minneapolis 45¢.

Average price of Middling spot cotton in 7 designated markets declined 15 points, closing at 13.96¢ per lb. (Holiday in three markets) March future contracts on the New York Cotton Exchange declined 14 points, closing at 14.38¢, and on the New Orleans Cotton Exchange they closed at 14.45¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	March 2,	Mar. 1,	Mar.2,1926
20 Industrials	159.07	161.42	147.06
20 R.R. stocks	125.48	127.33	105.42

(Wall St. Jour., Mar. 3.)

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DAILY DIGEST

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Vol. XXIV, No. 52 Section 1 March 4, 1927.

THE PRESIDENT SIGNS BILLS The press to-day reports: "President Coolidge was busy until late last night acting upon more than 200 bills that reached his yesterday....Most of the bills approved by the President were private and minor bills. The only important bill was the Anti-Dumping Produce Bill which carries heavy fines and imprisonment upon commission merchants who destroy food without good and sufficient reasons. ...Under the new law commission merchants must submit produce to supervisors of the Department of Agriculture before destroying it, and if the law is violated they are subject to a fine of from $100 and $1,000 and imprisonment from a week to two months. Another bill signed authorizes the Secretary of Agriculture to collect and publish statistics on the length and grade of staple cotton...."

THE SENATE FILIBUSTER The press to-day reports: "The Senate apparently broke its filibuster over the Reed resolution for continuance of the slush fund investigating committee when, at 11.25 last night, it went into executive session and at 12.06 recessed until 8.30 a.m. to-day, three and a half hours before the automatic adjournment of this Congress. In the executive session the Senate confirmed three nominations to the new Radio Commission and agreed to take up the second deficiency bill this morning. The radio commissioners confirmed are: William H.G.Bullard, John F. Dillon and Eugene O. Sykes...."

MUSCLE SHOALS BIDS REJECTED Bids of both the American Cyanamid Company and the Farmers' Federated Fertilizer Association for the Government's Muscle Shoals properties were rejected yesterday by the House military affairs committee, according to the press to-day. The report set forth a number of stipulations which the subcommittee held would be necessary to approve a lease. It also recommended an effort should be made to obtain an operating contract for production of fertilizer at the shoals by the next Congress in the event no satisfactory bid is received in the meantime.

CAPPER FOR CAPITAL PARK COMMISSION The Vice President yesterday nominated Senator Capper of Kansas as a member of the National Capital Park and Planning Commission, according to the press to-day.

GRAIN MERGER SUIT A dispatch to-day from Chicago says: "Finding the Armour Grain Company guilty of fraud and conspiracy against the now defunct Grain Marketing Company and the Rosenbaum Grain Corporation and Rosenbaum Brothers, the arbitrator, Edward E. Brown, a Chicago attorney and Vice President of the First National Bank, has ordered the Armour concern to pay approximately $3,000,000 damages to the companies affected...."

Section 2

American Prosperity

"To-day the most pessimistic can not ignore the signs of prosperity. The business world is saying, 'Every day and in every way business is growing better,' and paying to say it. At the close of 1926, Cyrus Curtis employed a page advertisement in numerous newspapers to announce that more space has been booked for 1927 in his three publications than ever before in their history. A manufacturer has stated that he will spend in advertising, this year, the stupendous appropriation of twenty-five million dollars. Such incidents as these are more than indices of prosperity. They are guaranties that prosperity will be produced. They are causes rather than effects, but they reflect the belief of men who back their belief with their money, and by so doing make their belief come true. We have realized at last that prosperity is not merely wealth, or goods, or high wages. It is money in action, exchanged for goods. Securing prosperity by advertising for it is at least as certain as securing any other concerted action by the same means." (E.E.Calkins, in Atlantic Monthly.)

Bovine Tuberculosis Control in Canada

Good progress is being made in Canada in stamping out bovine tuberculosis. Dr. George Hilton, Veterinary Director General, says in his report recently issued for the fiscal year ended March 31,1926, that the control of this disease is now a very live question among the livestock owners in the Dominion and demands for assistance in the eradication of this disease have been so numerous and persistent that it has been impossible to satisfy them in full, says the Canadian Department of the Interior. Doctor Hilton finds that the incidence of bovine tuberculosis in Canada is not so great as to render practical eradication a too costly undertaking. Canada is fortunate in this respect, as in some other countries the disease is too prevalent to permit of eradication by general slaughter and consequently palliative measures have to be resorted to. Under the restricted area plan whole sections of the country are being cleared of bovine tuberculosis. In the Carman area of Manitoba, the first to be accepted, in three years has been reduced from $5\frac{1}{2}$ per cent to 3-10 of 1 per cent. Ten more townships were added during the year so that 1,781 herds of cattle containing about 23,000 animals are now under control in this area. In summing up it is to be noted that five Provinces of Canada have large tubercular-free areas, and the time is probably not far distant when the cattle of the entire Dominion will be practically freed from this disease, says Doctor Hilton. (Press, Mar.3.)

Cotton Utilization

An editorial in The Journal of Commerce for March 3 says: "Reports from Washington are to the effect that the Departments of Agriculture and Commerce and the new Cotton Textile Institute are about to become cooperatively active in careful study of and constructive research into the uses to which cotton is now being put and to which it might profitably be put. There can, of course, be no doubt that the task is a highly important one or that the organizations now planning to undertake it ought to be well suited for the purpose. Success even in moderate measure would naturally be helpful not only to cotton planters who find their capacity for growing cotton greater than existing demand but also to manufacturers making use of cotton and its products who sorely need greater outlets for their goods. Perhaps it would not be going too far to say that this represents about the first move in a really constructive direction that the

Washington Government has made to bring relief to farmer and textile manufacturer alike. What the results are likely to be the future alone can tell. They depend a good deal upon the effectiveness with which similar work has heretofore been done by private initiative and by individual enterprises....Let no one, however, expect miracles. If there is any disposition either in the trades and other circles directly concerned to look for the impossible, disappointment is naturally in store. There are very real limits to the possibilities of an enterprise of this sort. Its opportunities are, however, large. Results ought to come even if they can not be had at once."

Farm School Funds Sought

The New York Times of March 2 reports that details of a campaign to raise $5,000,000 for the expansion of the National Farm School, at Doylestown, Pa., were announced March 1 by Lewis L.Clarke, chairman of the executive committee of the American Exchange Irving Trust Company, who is treasurer and acting chairman of the farm school executive committee for New York City. The school aims to replace untrained farmers with trained ones and to stem the drift from the farms to the cities. The school takes boys from the crowded cities and gives them free a three-year course in scientific agriculture. Last year they raised products worth $42,000, sold in open competition in the Philadelphia and Trenton markets. The school now has nearly 1,200 acres, cultivated according to the most scientific methods. There are several permanent buildings, and the value of the entire plant is placed at $1,500,000, which was developed from an initial appropriation of $3,500.

Kerensky on Russian Conditions

The New York Times of March 3 reports that Alexander Kerensky, who succeeded Prince George Lvov on July 20, 1917, as the head of the Russian Government and was virtually dictator of that country during four of the most dramatic months of its history, arrived in New York March 2. Since the overthrow of his government by the Bolsheviki, Mr. Kerensky has been an exile from Russia, editing a newspaper and attempting to send news of the outside world and of Russian affairs into Russia through underground channels. The Soviet Governments now faces its greatest crisis, he said, despite its attempts to create an impression among Russians and foreigners of a constructive industrial effort, and he predicted the eventual overthrow of the Communist regime through economic forces gathering strength as the result of "their absurd economic system," Just when the new revolution would come he refused to predict, but he is certain that it will come, and from the working and peasant classes. "The present government has used up all Russian resources," he said. "Since it has been in power it has expended all the vast accumulated wealth which was in Russia. It has exhausted at least 10,000,000,000 rubles of capital, and there is nothing to take its place. Russia needs capital and machinery and there is no way under the present system of getting it. The apparent prosperity in Russia is false, the workers and the peasants are worse off than they have ever been. The proof of that is that there are 2,000,000 workers out of employment in Russia at the present time, and 16,000,000 peasants, unable to make a living by agriculture, are flocking to the cities, which are unable to absorb them. These two classes have at least 18,000,000 people idle at the present time..."

Milk Consumption in Britain

An editorial in The Journal of the Ministry of Agriculture (London) for February says: "The growing appreciation of the food value of milk, and its importance in the dietary of children, justifies the following reference to a scheme which has recently been brought to the Ministry's notice. The manager of a progressive dairy in a small town in the home counties has been able to make arrangements with the local committees of the elementary schools to supply Grade A milk to the school children during the morning interval. The scheme, which was started in September last, aims at encouraging the children to drink good milk; it also serves as useful propaganda in the district on the food value of milk; while, from the dairymen's standpoint, it has the advantage of providing an additional opening for the disposal of his liquid milk. The milk is supplied in half-pint bottles, fitted with crown-cork stoppers. These, previously sterilized, each receive one-sixth of a quart of milk, cooled to 45 deg. F. in summer; while, in the winter, the quantity is one-seventh of a quart heated to 110 deg. F. The bottles are dispatched to the schools in boxes, together with a supply of sterilized, natural straws. Payment is made by means of aluminum tokens, of the face value of one penny, which the children can purchase once a week from the headmaster; and in respect of these tokens there is a simple accounting arrangement between him and the dairyman. The children surrender a token when receiving a bottle and a sterilized straw; and it is practicable for the head of each department to issue the milk, superintend its consumption, and collect the bottles and straws in from five to six minutes....There is no doubt that this milk ration has given increased vigor to the children. The consumption of milk in these schools has risen from 30 bottles on the first day to a daily average of from 350 to 400 bottles at the present time. ...The scheme is supplemented by lessons on hygiene and the value of milk as a food, whilst the dairy manager is endeavoring to create an active interest in the local milk supply among the scholars."

New England Tobacco Growers

An editorial in The New England Homestead for February 26 says: "Free from all contracts that might limit freedom of action, New England tobacco growers are to decide this spring whether to continue their united effort in assembling, grading and marketing their crop, or whether to disband their association and let everyone fight for himself. The latter result would be a grave step backward. Probably it would cost growers dearly, and with increasing severity in future years. Now that buyers, dealers and manufacturers of cigar leaf are steadily growing fewer in number and more perfectly trustified, it seems nothing less than suicidal for growers to even think of going it alone. In spite of mistakes and obstacles, members of Connecticut valley tobacco association have accomplished wonders. It has gained an experience and possesses a knowledge of infinite value to growers, which they should continue to utilize to the utmost. The situation calls for wise consideration, sound judgment and business prudence on the part of each member, always animated by a desire for the common good...."

Stock Grading in Canada

An editorial in The Nor'-West Farmer (Winnipeg) for February 21 says: "Demand is growing for the grading of other classes of stock as well as hogs on public markets. Producers would like to see grading extended to cattle and sheep with a fixed increase in price for

the tops as compared with the lower grades. No doubt all livestock sold on public markets will come under the grading system in due time. When general grading goes into effect it will be a good thing for all concerned. Recalling the opposition to hog grading when first introduced, opposition coming from both buyers and sellers, one may expect about the same sort of opposition to proposals to grade cattle and sheep. And also about the same outcome. Scarcely anyone now would advocate going back to the 'good old days' when select bacon hogs sold at the same price as thick smooths. The same result, we believe will follow the introduction of grading to other livestock. The man who raises the quality stuff will receive the premium he is entitled to. Grading is one means and an effective one for improving the quality of commercial livestock. It is about the most valuable work that has been undertaken by the Federal livestock branch."

Section 3
MARKET QUOTATIONS

Farm Products March 3; Livestock quotations at Chicago on top price of hogs $12.30.

Maine sacked Green Mountain potatoes $2.30-$2.65 per 100 pounds in eastern cities; mostly $1.80 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.75-$1.90 carlot sales in Chicago. New York Rhode Island Greening apples $4-$4.75 per barrel in city markets; cold storage stock $3.75 f.o.b. Rochester. Michigan Ben Davis $3-$3.50 in Chicago. New York Danish type cabbage ranged $18-$25 bulk per ton in terminal markets; $12-$13 f.o.b. Rochester. Texas round type $2.50-$4 per barrel crates in city markets; $1-$1.10 f.o.b. Midwestern yellow onions $2.25-$3.25 sacked per 100 pounds in consuming centers.

Closing prices on 92 score butter: New York 50¢; Chicago 49¾¢; Philadelphia 51¢; Boston 51¢.

Closing prices at Wisconsin primary cheese markets March 2: Single Daisies 23¢; Double Daisies 22½¢; Longhorns 23¼¢; Square Prints 23¼¢.

Grain prices quoted; No.1 dark northern Minneapolis $1.39-$1.46. No.2 hard winter Kansas City $1.32-$1.38. No.3 yellow corn Minneapolis 70¢; Kansas City 72¢, No.3 white oats Minneapolis 45¢; Kansas City 46¢.

Average price of Middling spot cotton in 10 designated markets declined 5 points, closing at 14.06¢ per lb. March future contracts on the New York Cotton Exchange declined 4 points, closing at 14.34¢, and on the New Orleans Cotton Exchange they declined 7 points, closing at 14.38¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar.3,	Mar. 2,	Mar. 3, 1926
20 Industrials	160.89	159.07	144.44
20 R.R. stocks	126.57	125.48	103.20

(Wall St. Jour., Mar. 4)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 53 Section 1 March 5, 1927.

THE PRESIDENT DECIDES AGAINST EXTRA SESSION

The New York Times to-day says: "President Coolidge sees no occasion for a special session of Congress, despite the failure of the Deficiency, Public Buildings and other bills in the Senate filibuster. Four hours after the short session had passed into history Mr. Coolidge served notice informally to the country that he would not call the Seventieth Congress into extraordinary session. Although there will be a lull of about nine months before the new Congress convenes in December, the President thinks the Government will be able to function without the money that Congress failed to grant. Notwithstanding the Government and many individuals will be greatly embarrassed by the failure of appropriations, the administration will try to devise means to overcome some of the elements in the situation. In the opinion of the President the Government will be unable to meet the pensions due on May 4 and June 5 next. To this extent there will probably be a reaction against those responsible for the filibuster and, some think, a determined demand in the next Congress for a revision of the Senate rules. The conclusion reached by the President as to any value that might be found in an extra session is that Congress in the present session had a full opportunity to pass legislation of a substantive kind and that little hope exists of accomplishing more in a special session.

"Despite the filibuster and its havoc, the President, whatever others may think of Congress, believes it has done a great deal of good work. He signed all but two or three of the measures sent to him, although he vetoed the McNary-Haugen bill and, during the life of the Sixty-ninth Congress, approved approximately 1,800 bills. In the present session 523 bills became law. He signed 165 bills on Thursday and 39 yesterday.....Measures signed at the Capitol include: An act authorizing the Secretary of Agriculture to establish a national arboretum, and for other purposes....An act to prevent discrimination against farmers' cooperative associations by boards of trade and similar organizations and for other purposes. An act to amend the Interstate Commerce Act and the Transportation Act, 1920, and for other purposes. An act to provide for the protection, development and utilization of the public lands in Alaska by establishing an adequate system for grazing livestock thereon...."

IN CONGRESS

The press to-day says: "The triumph of the filibuster marked the ending of the Sixty-ninth Congress at noon yesterday. It was a triumph dearly bought. It prevented the enactment of certain legislative measures necessary for the support of the Government. Part of the Government's machinery must slow down; part must cease functioning..... Among the bills that did not become law were: Second Deficiency bill carrying $93,716,753. Public Buildings bill carrying $25,000,000 for Washington, and $100,000,000 for buildings throughout the country. Alien Property bill with funds to settle German and American claims. New House Office building, $6,500,000. Muscle Shoals legislation. Measure to readjust postal rates. Among the resolutions were: To investigate administration policies toward Latin-America. To investigate hydroelectric power company financing. To investigate economic conditions...."

Section 2

British-Russian Relations Not Broken

An Associated Press dispatch March 4 from London says: "Announcing in the House of Commons that Great Britain will not break off diplomatic relations with soviet Russia, Sir Austen Chamberlain, Foreign Secretary, March 3 enunciated a policy of giving Russia another chance...."

Farmer Unrest

"The Green Rising," a 268-page volume by W.B.Bizzell, published by The MacMillan Company, is reviewed by Evans Clark in The New York Times Book Review for February 27. Mr. Clark says in part: "The modern world has become somewhat acclimated to the Red Rising of the industrial wage workers. It must now, it seems, face a Green Rising as well. To those obtuse city folk who read Doctor Bizzell's latest book ...all the current pother about farmers and their troubles will no longer appear as perplexing but passing ructions in the otherwise smooth flow of American prosperity--as bothersome as flies on a sun-lit beach, and with as little real reason for existence. They fall into the line of a wide movement of the farm populations of the world, a movement that insists on more consideration for the tiller of the soil in a universe of big business men and bankers--not to mention labor unions. Doctor Bizzell surveys the post-war scene and sees in this massed advance of the farmers of the world another revolution of a sort; one at least that will 'profoundly influence' our 'economic and social institutions as well as our governmental policies.' Nor has 'the fact that it is largely bloodless in no wise made it less of a reality.'...."

Farm Machinery and Profits

An editorial in Manufacturers Record for March 3 says: "Two bits of mail which come to us from widely different sources serve remarkably well to give a striking illustration of the high degree of individual productivity with which our modern machinery methods have endowed our workers. The first is a concise bulletin from the United States Department of Agriculture stating that 'farm profits can be materially increased by the application of machinery and new methods.' The second is a sheet from the Sunday Baltimore American, carrying a story captioned 'How America Is Selling Rice to Japan Cheaper Than Her Coolies Can Raise It.' Japanese rice growers, having become alarmed at the recent invasion of their home market by a superior grade of American rice selling at a lower price, sent a commission of experts to this country to learn how we could produce so well and so cheaply. Photographs tell the story by contrasting the methods of the two countries. On the one hand, four tractors, each drawing a gang of five plows, enable a few well-paid American workers to prepare a vast, flat field for planting, while later in the season other powerful machines harvest the rice with the aid of a mere handful of men. On the other hand is a Japanese field, in which one laborer draws a small plow through mud and water, while another, wading behind, guides it; the same men, later in the season, harvesting the crop by slow handwork. The American workers, the Baltimore American records, receive wages of from $3 to $10 per day; the Japanese, 30 cents per day. This is an uncommonly good illustration of the extent to which machine production has made life easier for us. To-day it is easier for a man to earn the high requirements of a decent living than it formerly was for him to

secure the much lower requirements of an old-fashioned good living. Not all American farming operations are so susceptible to mechanization as the growing of rice on the vast, flat lands of the Sacramento Valley of California, but most of our agriculture is capable of a far greater degree of mechanization than is yet visioned by our farmers, and as they learn that fact and take advantage of it they will enter an era of greater individual productivity and prosperity similar to that now enjoyed by industrial workers."

Forestry Work in Britain

Since the passage of the Forestry Act in 1919 the British Forestry Commission has planted over 71,000 acres in Great Britain, and aims at a total of 150,000 acres by the end of 1929. This accomplishment is part of the original scheme to establish 1,750,000 acres of State forests. In addition to the acreage planted by the commission alone, local authorities and private individuals, assisted by grants from the commission, have planted some 50,000 acres, and by 1929 it is expected that a total of 100,000 acres will be planted, according to advices just received by Bankers Trust Company of New York from its British information service. Apart from the former Crown Woods, which were brought under the control of the commissioners in 1924, comprising 120,000 acres, about 60,000 acres of which are carrying timber or are under forestal treatment, the commission has acquired 346,000 acres of land and of this total 60% or 207,000 acres are in a plantable condition.

French Tariff

A Paris dispatch to the press of March 4 says: "The new French tariff, upon which dozens of Government experts have been working night and day for a month, has been placed in the hands of the Customs Commission of the Chamber of Deputies. It deals an even more severe blow at American manufactured products than was expected, for it is made clear that 2,000,000,000 francs' worth of American manufactured goods yearly sold in this country will be badly hit. What is a still greater blow is the fact that a substantial proportion of this business will be lost entirely owing to prohibitive rates under the new regime. Protests would be useless and are not contemplated, since the American Government does not for a moment question the right of France to revise her tariffs upward to suit the needs of her economic situation...."

The Associated Press to-day reports from Paris: "American motor cars, machine tools, typewriters and frozen or canned meats are hard hit under the proposed terms of the new French tariff bill which was introduced in Parliament some time ago, but which has just been made public. Experts estimate the average increase of the duty on manufactured articles at 20 per cent although they admit this figure is only approximate. There are so many complicated qualifications it is impossible to arrive at exact figures...."

Fruit Grading Asked

A Winchester, Va., dispatch to the press of March 4 says: "Fruit growers of Frederick County, by a vote of 82 to 2, March 3 indorsed a bill prepared by the Virginia State Horticultural Society for the General Assembly providing for compulsory fruit grading and packing, applicable to all fruit offered for sale in closed packages. Fruit not so graded and inspected under the proposed law would have to be sold as 'unclassified.' Grades would conform to agricultural standards....."

National Road Progress "Road construction progress in the United States indicates a moderate annual increase, states J. F. Pennybacker, secretary and general manager of the Asphalt Association, in his annual report reviewing the highway conditions of 1926. The saturation point for street and road paving is nowhere in sight and there is no reason, he says, to expect any reduction in the billion dollar level of annual expenditures for roads. A total of 140,000,000 square yards of asphalt pavement was laid last year and indications are that in 1927 the yardage may reach 150,000,000....The soundness of the basis upon which road building rests as an industry, Mr. Pennybacker points out, is indicated by the fact that automobile license fees, gasoline taxes and Federal aid alone make up a yearly good roads fund of approximately $600,000,000, while bond issues predicated upon motor and gasoline taxes for retirement substantially increased that fund. ..." (Press, Mar. 4.)

Sisal Trust Case The press of March 4 says: "A case involving the question of whether it constitutes a violation of the Sherman Anti-Trust Law and of the anti-trust provision of the Wilson Tariff law of 1894 for a group of bankers to agree in this country to monopolize the importation of a basic product from a foreign country in which more than 80 per cent of it is produced will be argued in the United States Supreme Court next week. The case is that of the United States against the Sisal Sales Corporation and others. It goes to the Supreme Court in April from the District Court of southern New York, which dismissed the petition of the Government complaining against the alleged acts of the corporation and bankers involved. The petition charged that in 1921 the defendants entered into a conspiracy in the United States to monopolize the importation and sale in this country of sisal, a fibre obtained from the henequen plant and used in the manufacture of binder twine. Intent to increase prices in this country by such an alleged conspiracy was charged. The product is imported practically exclusively from Mexico, the only country in which sisal is produced in quantities to supply the needs of this country...."

Southern Produdt Conservation An editorial in The Florida Times-Union for March 3 says: "'Florida has opened the annual tomato movement out of the States of the South with one hundred carloads shipped during the week ending February 17,' says the Mobile Register. 'Florida, because of exceptional conditions in parts of the State, usually is first in the market with early tomatoes, although there really is not much reason for a wide difference between dates of Alabama and Mississippi.'... The Register talks more about tomatoes, and declares that it has become a very important truck crop in the South and can be further developed.....The Register is sure that 'too many tomatoes are shipped out of the South to be canned in other places.' Tomatoes grown in the South are shipped to all parts of the world in cans bearing the labels of communities in Illinois, Indiana and other States. The Alabama newspaper declares that southern grown tomatoes should be put into tins where they are grown, and suggests that growers would make more if canning the surplus after the demand for fresh tomatoes had been met. The argument is for more canneries in the South, and it would seem to be good. Florida offers unusual opportunities for canneries, although some have started and failed here through inability to make contracts for steady supply of material. There is no doubt about a great amount of tomatoes being wasted when the prices decline

in the northern and eastern markets on account of the competition which becomes strong in the late spring. With more attention given to canning the value of the crops will surely be increased."

Section 3

MARKET QUOTATIONS

Farm Products March 4: Livestock quotations at Chicago on top price of hogs $12.15.

Maine sacked Green Mountains $2.35-$2.65 per 100 pounds in eastern cities; mostly $1.80-$1.85 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.75-$1.90 carlot sales in Chicago; $1.55-$1.70 f.o.b. Waupaca. Sweet potatoes firm. Delaware and Maryland yellow varieties $1.25-$1.50 per bushel hamper in the East. Tennessee Nancy Halls $1-$1.15 in midwestern cities. New York Danish type cabbage $18-$28 bulk per ton in terminal markets; $12-$13 f.o.b. Rochester. New York Rhode Island Greening apples $4-$4.75 per barrel in city markets. Michigan Ben Davis $3-$3.50 in Chicago.

Closing prices on 92 score butter: New York 50½¢; Chicago 50¢; Philadelphia 51½¢; Boston 51½¢.

Closing prices at Wisconsin primary cheese markets March 3: Single Daisies 23¢; Double Daisies 22½¢; Longhorns 23¼¢; Square Prints 23¼¢.

Average price of Middling spot cotton in 10 designated markets declined 20 points, closing at 13.86¢ per lb. March future contracts on the New York Cotton Exchange declined 16 points, closing at 14.18¢, and on the New Orleans Cotton Exchange they declined 22 points, closing at 14.16¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.40-$1.47. No.2 red winter Chicago $1.37. No.3 yellow corn Chicago 70¢; Minneapolis 70¢. No.3 white oats Chicago 45¢; Minneapolis 45¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Mar. 4,	Mar. 3,	Mar. 4, 1926
	20 Industrials	159.68	160.89	150.76
	20 R.R. stocks	125.78	126.57	106.34

(Wall St. Jour., Mar. 5.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 54 Section 1 March 7, 1927.

THE PRESIDENT URGES TREES ON POOR LANDS

The Associated Press March 6 reports: "A suggestion that the agricultural problem might be solved to some extent if poor farm lands were converted into forests was made March 5 by President Coolidge in proclaiming April 24 to 30 'American Forest Week' and recommending its observance to the governors of the 48 States. 'One fourth of our soil,' the President said, 'is better suited to timber growing than anything else. I can not escape the conviction that our industrial and agricultural stability will be strengthened by bringing into full productive use this great empire of land. Although much progress has been made in public forestry and hopeful beginnings in private industry, we still have a vast aggregate of idle or semi-idle forest land, and another large aggregate of poor farm land that might more profitably grow timber instead of adding to the problem of agricultural overproduction...'"

RADIO COMMISSION FILLED

The press of March 6 reports that the new Federal Radio Commission was completed March 5 when President Coolidge made recess appointments of Orestes H. Caldwell of New York and Henry A. Bellows of Minnesota, two of the five nominees who were not confirmed by the Senate. Following conferences on plans of procedure in view of the lack of funds brought about by the failure of the deficiency bill, Secretary Hoover announced that he was inviting the Radio Commission to meet in Washington. Clerical help will be lent from the Department of Commerce so that activities may be started under the new law.

MONEY FOUND FOR SOLDIER LOANS

The press of March 6 reports that the Veterans Bureau has found the money necessary to pay loans to veterans on their adjusted service certificates, notwithstanding the failure of the second deficiency bill with a $25,000,000 veterans' loan fund in it. General Frank T. Hines, the Director, announced March 5 that administration of the loan authorization bill previously enacted will not be materially affected. A special loan service will start April 1, steps having been taken already to have all the regional offices in the United States and the sub-offices in the Philippines and Hawaii equipped for the work.

DOLLAR STABILIZED AT 60 CENTS

The purchasing value of the dollar, as measured by living costs for the American wage-earner or other people of moderate means, has fluctuated little more than 5 per cent, or only about a nickel in a dollar purchase, during the last five years, according to the National Industrial Conference Board, New York, in its report on a national survey, made public yesterday. The board asserts that the dollar, on the basis of living costs, is now worth about 60 cents as compared with the 1914 pre-war dollar and, having fluctuated less than 5 cents either way from this value since 1921, may be considered as having become stabilized at this level, as contrasted with the severe fluctuations of the first few years after the war.

Section 2

Arboretum and Botanic Garden

An editorial in The Washington Post for March 5 says: "One of the very last acts of Congress to receive the approval of President Coolidge was that which authorizes the establishment of a national arboretum on Mount Hamilton, near the District-Maryland line. Like the Botanic Garden transfer, which received executive approval several weeks ago, no funds were provided with which the object aimed at can be carried into effect. In the case of the authorized removal and extension of the Botanic Garden, funds were provided in the second deficiency bill, and it was expected that like action would be taken with reference to the arboretum. But this bill died in the filibuster on the last day of the session. There will be no progress made during the summer toward the creation of an arboretum in the District, and nothing can be done in the way of buying the two squares to be purchased on which to reerect the Bartholdi statue and the conservatories of the Botanic Garden. The latter project is safe, although the delay is unfortunate. But already 10 per cent of the land which it was desired to purchase for the arboretum has been acquired by builders, and it is feared that the owners of the remaining acreage will endeavor to sell their holdings to other purchasers. The arboretum project, in that event, may never be carried out."

Barnes on Wheat Prices

The New York Times of March 5 says: "Julius H. Barnes, former United States Wheat Director, forecast higher prices for wheat in an interview March 4, basing his observation on the return of investment and buying power in the grain markets against the present supply. He said that it appeared that countries of wheat supply were unable to ship wheat fast enough. 'The total export surpluses of all countries would be inadequate to supply the reasonably expected requirements of Europe,' he said....."

British Cotton Men Here

The New York Times March 3 reports: "C. H. Hannay and A. C. Nickson, president and secretary respectively of the Liverpool Cotton Association, were guests of the New York Cotton Exchange March 2 following their arrival on the Olympic. Samuel T. Hubbard, jr., president of the exchange, expressed the hope that relations between the world's two great cotton markets would be even more friendly than in the past. Mr. Hannay, who with Mr. Nickson is here to attend the International Cotton Standards Conference at Washington on March 14, conveyed the good wishes of the Liverpool Cotton Association and remarked that prosperity in the cotton industry depended on conditions both here and in England."

Butter Industry in South Dakota

An editorial in The Chicago Dairy Produce for March 1 says: ".... We who are connected with the butter industry have not yet come to think seriously of South Dakota as a dairy State. We have not denied that it had a growing dairy industry and a few good creameries, but we have not acknowledged its arrival, as having enough of a dairy industry or as making a sufficient quantity of fancy butter, to the position of a dairy and butter State. But it has arrived, F. A. Leighton of Sioux Falls wants the butter dealers to know, and it has at the head of the industry men with the knowledge, ability and desire to insure continued progress in effective dairying and quality production. What Mr. Leighton says about these leaders, if for no other reason than that it comes from him, will be accepted as proven; and added force is given to the statement by the fact, not mentioned by him, that Mr. Leighton himself is one among these dairy leaders in South Dakota who in a few years will make

the creamery business South Dakota's leading industry. Professor Larson of South Dakota's State College at Brookings, in his address at that Sioux Falls convention, showed by the progress the butter making industry is making in South Dakota that the industry is moving west, and he placed his State as one in the near future's group of great butter making States."

Connecticut Tobacco Marketing

A Hartford, Conn., dispatch to the press of March 3 says: "A majority of members of the Connecticut Valley Tobacco Growers' Association have voted against renewing their sales agreement and the association will probably abrogate existing contracts. Action relative to the disposal of tobacco on hand is yet to be taken. Organization of district associations for combined selling of crops now is considered."

Cuban Conditions

An editorial in The Modern Miller for February 26 says: "F. E. Eichler, St. Louis manager of the Modern Miller, is now in Cuba investigating conditions there. He is unequivocally of the opinion that the tone of the flour market and financial conditions on the island are improved and that a conservative policy in the matter of credit and volume of business is being followed. Bankers and business men are in accord in keeping commercial conditions sound and in guarding against excess buying..... Cuba is attempting control of sugar production by Government regulation. Cuban sugar mills were taxed $5 on each bag of sugar produced in violation of the production figures assigned to them through the curtailment decree. A recent law is more stringent and increases this penalty. It seems a studied effort to measure foreign consumption and to produce accordingly. To prevent price demoralization the Government has shown great energy. ....."

French Government Revenue

French government revenue from all sources in January 1927 (not including receipts of the Postal Administration which are carried in a separate budget) totaled 3,357,402,300 francs as against 3,957,309,200 in December 1926, and 4,000,063,900 francs in January 1926. This decline, in spite of increased taxes and the higher prices, is due to the fact that direct taxes for 1926 had been collected before the end of the year, and also because since October 1, 1926, the receipts of the tobacco monopoly have been applied to the sinking fund and are no longer included in budgetary returns. (Bankers Trust Co.)

Nicaragua

In an extensive article on "Nicaragua: Its Economic Position," Commerce Monthly (New York) for March says: "Increasing traffic through the Panama Canal makes it appear inevitable that the construction of a second canal will eventually become a necessary work. Following the ratification in 1916 of a treaty involving a payment of $3,000,000, Nicaragua granted to the United States the exclusive right to construct and operate such an ocean-to-ocean canal across its territory. As a result the potential economic status of that country has become a matter of direct interest..... Though potentially a highway of world trade, lack of roads and railroads at present constitutes a formidable barrier to Nicaragua's commercial and industrial development. There are five railroads operating over a total trackage of 203 miles....."

Scientific Research

An editorial in Farm and Fireside for March says: "If a meat packer got no more wealth out of a hog's carcass than a home butcher gets, pork would have to be much higher or swine much lower. The scientist has developed by-products that pay the profits and part of the operating expenses although the meat itself may not sell at wholesale for as much as the live hog brought. In this is a familiar example of one of the real handicaps of agriculture. More ways need to be found to reduce the expenses of farming and to increase the use of the soil's by-products. Through scientific research they can be found. Every sound remedial proposal aims primarily at lower costs or increased demand. That is obvious from the fact that a farmer's profit comes in between his cost price and his sale price, considering also the quantity he has to sell. Using new processes, developed by her able scientists, Germany is now producing more nitrogen out of the air than she uses, and is seeking export markets for it. Because American scientific research in fixing nitrogen was allowed to lag American farmers are handicapped by what is now a comparatively exorbitant price for nitrates. Incidentally this German nitrogen discovery has also made that country self-sufficient in rye production, destroying one of our important export markets for that grain. That is an example of how scientific research can lower farm costs. Now for how it can increase demand. A competent authority in the dairy business, a cooperative manager, recently wrote: 'The chemist who will find a commercially practicable way to extract the milk sugar from cheese whey and skim milk will be a second Babcock to the dairy industry.' Milk sugar is now manufactured but the cost is still too high. Add that to the regular by-products of the cow, however, and dairy profits will go higher.....We hope the Department of Agriculture gets its new Bureau of Chemistry and Soils, where research exclusive of police work can be done, and the $152,000 asked by Secretary Jardine to establish it. That will be only a couple of drops in the bucket of needed research but it is pushing forward toward real progress....."

Wheat

An editorial in The Wall Street Journal for March 4 says: "On March 1 May wheat at Chicago sold up to 143 7/8, and the July future at 138 1/2. These were the highest prices at which wheat has sold at since November 10, 1926. The cause was domestic conditions, disclosed in private estimates of farm supplies and crop conditions..... Snow estimates total wheat supply in the United States March 1 at 271,000,000 bushels. He further estimates that after domestic needs are met there will be 90,000,000 bushels for the carryover and to meet exports from March 1 to June 30. A year ago this supply was 97,000,000 bushels. Exports, however, are running much above those of a year ago; in the past eight months they were 100,000,000 bushels above those of the preceding year. This 90,000,000-bushel estimate above consumptive requirements, therefore, is looked upon by the trade as a bullish estimate.....It is too early for any reliable estimate of the condition of the wheat crop. But the little that is known, taken in connection with the supply report, gave a bullish feature to the future market. The stage is being set for a weather market, in which wheat will go up or down, as weather becomes favorable or unfavorable."

Section 3
MARKET QUOTATIONS

Farm Products

For the week ended March 5: Top price on hogs at Chicago at $12.00 or 15¢ higher than a week ago. All grades of heavy steers and the better grades of yearlings were 25¢ to 50¢ higher, while lightweight steers were steady to 25¢ higher. Fat cows advanced 25¢. Heifers were fully 50¢ higher and stockers and feeders steady. Vealers were mostly 50¢ higher. Fat lambs closed 50¢ to 75¢ higher, with yearlings around 50¢ higher.

Potato markets generally firm. Maine sacked Green Mountains $2.40 to $2.85 per 100 pounds in eastern cities; bulk stock $1.85 to $1.95 f.o.b. Presque Isle. Cabbage stronger. New York Danish type sold at $2 to $8 higher at $18 to $30 bulk per ton in terminal markets; mostly $13 f.o.b. Rochester. Texas flat and round type $2.50 to $4 per barrel crate. Onion prices advanced. Midwestern yellow varieties ranged mostly $2.50 to $3 sacked per 100 pounds in consuming centers, top of $3.25 in Pittsburgh; $2.85 f.o.b. West Michigan. Apples fairly steady. New York Rhode Island Greenings $4.25 to $4.75 per barrel in city markets.

Butter markets were fairly steady during the week ending March 5, but were also rather sensitive. Both declines and advances in price were noted but the week closed with some increase in confidence apparent. Closing prices on 92 score New York 50 1/2¢; Chicago 50¢; Philadelphia 51 1/2¢; Boston 51 1/2¢.

Average price of Middling spot cotton in 10 designated markets advanced 13 points during the week, closing at 13.86¢ per lb. March future contracts on the New York Cotton Exchange advanced 2 points, closing at 14.10¢, and on the New Orleans Cotton Exchange they declined 1 point; closing at 14.12¢.

Hay market quiet but demand better. Receipts lighter during week. No. 1 timothy New York $25.50; Cincinnati $18.50; Chicago $20; Memphis $22; Minneapolis $21.50. No. 1 alfalfa Kansas City $19; Omaha $19.50; Denver $16; Memphis $27. No. 1 prairie Kansas City $15; Omaha $15; Chicago $18; No. 1 clover Cincinnati $24; Chicago $19. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 5,	Mar. 4,	Mar. 5, 1926
20 Industrials	159.23	159.68	150.40
20 R. R. stocks	125.21	125.78	108.25

(Wall St. Jour., Mar. 7.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 55 Section 1 March 8, 1927.

NATIONAL FOREST RESERVATION APPROVED

The Associated Press to-day reports: "The National Forest Reservation Commission met yesterday, under the chairmanship of Secretary Davis of the War Department, and approved the purchase of 96,000 acres additional to the White Mountains National Forest in New England, the Allegheny in northwestern Pennsylvania and the Pisgah in North Carolina. The commission gave a hearing to a delegation from New England which urged the purchase of 23,000 acres within the boundaries of the White Mountain National Forest in New Hampshire, containing one of the few virgin timber stands in Northeastern United States. The commission decided it was not prepared to make a final decision, and stated that if the company owning the tract of land would defer building its proposed logging railway and logging off the timber the Forest Service would make an examination and appraisal this spring to ascertain what could be done. The Parker & Young Company of Waterville, N. H., owners of the tract; the Governor of New Hampshire and the State Forester, the Boston and Springfield Chambers of Commerce, and several other organizations were represented at the hearing."

GRAIN DEMAND

The New York Times to-day reports that Alex Hansen, chairman of the Grain Futures Committee of the New York Produce Exchange, made public yesterday a survey of world conditions in the grain industry, showing that the European demand for American wheat, rye and other food and feed stuffs will continue large for months to come. "A strengthening factor of the world's market which a great many lose sight of," Mr. Hansen said, "is that the wheat exports from the three largest exporting countries outside of the United States, namely, Canada, Australia and Argentina, are well controlled and not forced upon the world's market injudiciously. In Canada the Wheat Pool owns practically all the surplus of Canadian wheat and is in no way a pressing seller. The same refers to the Australian pool, which has already disposed of a very substantial part of their surplus. In view of the unfavorable outlook for the Indian crop and the recent large demand from Oriental countries, it may reasonably be expected that the pressure from Australia will be relatively light on the European markets. As far as Argentina is concerned, the grain exports from that country are practically in the hands of three to four large export houses who, up to now, are understood to have sold 40 per cent of the exportable surplus of wheat. This is very significant, considering that hardly more than two months of their crop year have passed, and illustrates the enormous requirements of the European importing countries."

NEW FARM RELIEF BILL PLANNED

The Associated Press to-day reports that after a call yesterday at the White House, Chester H. Gray and E. A. O'Neil, of the American Farm Bureau Federation, declared a farm relief bill would be introduced in Congress at the next session.

Section 2

Coffee Consumption

A new record for both quantity and value was established for coffee imports into the United States during 1926. The quantity, including imports from foreign countries and shipments from Hawaii and Porto Rico, totaled almost 1,500,000,000 pounds, valued at $323,351,582. This exceeds the preceding year by a little over 16 per cent in volume and by 12.5 per cent in value, according to the Foodstuffs Division of the Department of Commerce. The quantity brought in from Brazil alone accounted for 7,676,846 bags, (1,013,343,641 pounds), with a value of $199,663,403. This is the largest quantity yet imported from that country and represents an increase of 16 per cent in comparison with 1925. Imports from Colombia increased 28 per cent and set a record for that country, the quantity amounting to 2,064,076 bags (272,458,043 pounds), valued at $74,279,143. Per capita consumption of coffee in this country is still around 12 pounds..... The average price of all coffee imported into this country during 1926 was 21.6 cents per pound, as against 22.3 cents in 1925.

Corn Conditions

An editorial in The Wall Street Journal for March 5 says: "Corn has been undergoing a drastic liquidation, which carried it 7 cents a bushel below the high of February 5. Notwithstanding this, cash corn is still selling at a considerable discount from the futures. One must move toward the other. The facts imply that the futures should not move downward to meet cash. Why is cash corn selling at a discount? The visible supply figures will give an answer. That supply is 30 per cent larger than a year ago; less corn has been marketed from the farms. When in such circumstances the visible supply increases, it is plain that there is little demand for corn; therefore, the cash grain presses on the market with the usual result of holding it down. Until this pressure is relieved, the cash force can not be expected to move toward the future quotation. There is no prospect of industrial demand being any larger. Exports, never large, are smaller than a year ago. Argentina has been shipping about two and a half times faster than at this time last year. Also, its acreage, which was a record, is likely to be exceeded in the next crop. There is, therefore, no prospect for improvement in that direction. But though eastern purchasers seem to be holding off for better prices, they are undoubtedly aware of the fact that farm work is beginning and the farmers will not market as rapidly in the next few weeks. The visible supply should gradually decrease from now on. There is also a considerable spread between the farm price of corn and hogs. Farmers who have the animals are getting about a dollar a bushel for corn marketed as hogs. It is good business to hold hogs on the farm and feed them as long as that can be done with profit. Farm consumption of corn, therefore, for the remainder of the season should be larger than ordinary. Another important matter is that of the farm reserves. The official statement will be published March 8, but several private crop reports have already shown that the farm reserve is small. The B. W. Snow report shows 1,050,000,000 bushels on farms, against the official estimate of 1,319,000,000 a year ago. He claims that the feed value of the crop is about 250,000,000 bushels less than the crop of 1925. Also the crop was 270,000,000 bushels smaller than in 1925 and the farm reserve of oats is at least 150,000,000 bushels less than a year ago. The statistical position shows a much smaller farm supply and larger consumptive power. In such circumstances, the May and July futures ought not to look downward."

Corn Withholding Urged

An Associated Press dispatch March 6 from Chicago says: "A movement is on foot to induce farmers to keep their corn in their cribs for several months until the present supplies in terminal elevators are marketed. There are now about 23,000,000 bushels of corn in Chicago elevators, the demand for which is unsatisfactory. Illustrating the manner in which supplies are piling up, the receipts of corn at Chicago last week have totaled 3,333,000 bushels, whereas only 55,000 bushels were shipped out. Some of the big elevators here are filled to capacity and have withdrawn from the market. The movement of corn to Chicago has been running heavier than anticipated, partly because a number of interior elevators are filled up and the grain is diverted to this market. Much of the corn is of low grade."

Cotton Export

A New Orleans dispatch to the press of March 7 says: "Evidences of a broadening demand for American cotton abroad, coupled with the indications that exports will reach fully 10,500,000 bales this season and possibly more, as against 8,154,370 in the twelve months ending last August, have encouraged the belief that the world's consumption of American cotton will prove larger than earlier estimates. Also it is thought that total ginnings for the season may fall considerably short of the Government's crop estimate. This would make it likely that the carry-over at the end of the season will be considerably less than the 9,000,000 bales so generally looked for a little while back."

Farm Cooperation

An editorial in The Farmstead, Stock and Home for March 1 says: "The problem of the farm, from an economic standpoint, is Nation-wide. It is not a State problem, or a sectional problem. Nor is it a problem of commodity groups. General agricultural prosperity is what is desired and not group or sectional prosperity alone. It is in general farm prosperity only that there can be permanent prosperity for any. American farmers and farm groups must see beyond the immediate present if the future is to be what it should be and may be. The southern farmer is, in fact, concerned in the prosperity of the northern farmer. The northern farmer is a large factor in the marketing of natural southern products. ..... As to commodity groups the situation is similar, though possessed of other angles..... It would be a narrow viewpoint for any farm commodity group to see only to the boundaries of its own horizon and to refuse moral support to other farm groups perhaps not so happily situated for the time being. There should be a balanced agriculture the Nation over, based upon natural and regional resources and climatic conditions. There should be sections where wheat is the major, though not single crop. So with corn and cotton and cattle and hogs and dairying. The prosperity of a single group or two is not the desiratum. Rather, in the prosperity of each lies the permanent prosperity of all. A broad general outlook and a whole-hearted cooperation between all classes and groups of agricultural producers is a crying need in America to-day. It is so easy to become circumscribed in our viewpoints. Every farmer is concerned, whether he realizes it or not, in something beyond the confines of his own fences and beyond the temporary successful marketing of a single farm product."

Panama and Banana Growing

A Balboa dispatch to the press of March 6 says: "The contract between the Government of Panama and the Tonosi Fruit Company, recently approved by the National Assembly, involves the investment of about $12,000,000 for the development of 40,000 acres in banana plantations on the Pacific littoral of the Republic of Panama. The Tonosi Fruit Company is a subsidiary of the United Fruit Company, which has had large banana plantations on the Atlantic Coast in the Province of Bocas del Toro for a number of years. It is understood that the fruit from this development will be used to supply the West Coast of the United States. The Tonosi Fruit Company has already spent $1,000,000 in acquiring land and in the study of climatic and other conditions in the Tonosi Valley in the Province of Los Santos ....."

Potato Marketing

An editorial in The Journal of Commerce for March 7 says: "The Bureau of Railway Economics has just made a study of the production and marketing of white potatoes, a crop sixth in value and eighth in acreage among the agricultural products of the United States. The statistics show an extraordinarily wide distribution of shipments. Twenty-five large cities, for instance, actually drew their potato supplies from one-third or more of all the States of the Union. Chicago obtained potatoes from thirty-seven States, New York, from twenty-three. In some cases potatoes from a distance were shipped in larger quantities than those near at hand. For example, Chicago received 2,743 cars from Idaho for the year ended October, 1926; 1,060 cars from Minnesota and only 734 cars from Michigan. Colorado shipped almost as many cars as the last named State, and Kansas sent 653 cars. The statistics may be used to support an argument both for and against transportation methods which thus effectually ignore distance as an element in production costs. Within limits the possibility of thus drawing for supplies upon such widely scattered territories is an economic gain both to producers and to consumers. On the other hand, there is evidence of a certain erratic disregard of the distance factor which can not fail to connote waste."

Power Farming

Power farming will lessen the demand for man power in the 1927 Kansas wheat harvest by several thousand hands, according to Professor Walter G. Ward of the Extension Department of the Kansas State Agricultural College. "In 1927 there will be a minimum of 2,000 more combines in Kansas wheat fields than last year," he said recently. "This means the direct curtailment of at least 6,000 harvest laborers. The 10,000 combines in Kansas wheat fields in 1927 means that there are nearly 30,000 less harvest hands needed for the year's crop than were necessary before the introduction of modern methods." (Press, Mar. 6.)

Southwest Farm Program

An editorial in The Farm and Ranch for February 26 says: ".....One of the hardest problems now confronting the farmers in the Southwest is the changing of the farm program. It can not be done successfully in one season. It must be done gradually as each individual feels his way and learns by experience. It is a long and dangerous leap from all cotton to diversified farming in one season. Many a farmer will probably try it and go back to cotton

in 1928. But those who are determined to build to a balanced farm program and do it as their means and opportunities permit, will be sitting easy when the next cotton panic comes along. The fellow who makes the leap and fails, and who has gone back to all cotton, will be among those appealing to the Government for legislative aid....."

Section 3
MARKET QUOTATIONS

Farm Products

Mar. 7: Maine sacked Green Mountain potatoes 10¢ to 25¢ higher at $2.50 to $2.90 per 100 pounds in eastern markets; bulk stock $1.90 to $2 f.o.b. Presque Isle. New York Rhode Island Greening apples firm at $4 to $4.75 per barrel in city markets. Michigan Ben Davis slightly lower in Chicago at $2.75 to $3.50 with Baldwins $3.50 to $4.25. New York Danish type cabbage generally $3 to $5 higher at $22 to $25 bulk per ton in terminal markets; top of $30 in Cincinnati; $14 to $15 f.o.b. Rochester. New York yellow onions $2.75 to $3.25 per 100 pounds in eastern markets; $2.50 to $2.75 f.o.b. Rochester.

Chicago hog prices closed at $12 for the top. All classes of cattle were steady to higher, the upturns ranging mostly from 25¢ to 55¢. Heavy calves were steady with vealers steady to 50¢ lower. Stockers and feeders were steady to 15¢ higher. Fat lambs, yearling wethers, fat ewes and feeding lambs were higher compared with a week ago.

Closing prices on 92 score butter: New York 51¢; Chicago 50¢; Philadelphia 52¢; Boston 51 1/2¢.

Grain prices quoted March 7: No. 2 red winter Chicago $1.37; No. 3 red winter Chicago $1.35; No. 2 hard winter Chicago $1.42. No. 3 yellow corn Chicago 69¢; Minneapolis 70¢. No. 3 white oats Chicago 45¢; Minneapolis 46¢; No. 2 hard winter Kansas City $1.35 to $1.40. No. 3 yellow corn Kansas City 71 to 74¢. No. 3 white oats Kansas City 45 to 46¢.

Average price of Middling spot cotton in 10 designated markets advanced 10 points, closing at 13.96¢ per lb. March future contracts on the New York Cotton Exchange advanced 11 points, closing at 14.21¢, and on the New Orleans Cotton Exchange they advanced 13 points, closing at 14.25¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 7,	Mar. 5,	Mar. 6, 1926
20 Industrials	158.62	159.23	149.86
20 R. R. stocks	124.65	125.21	107.93

(Wall St. Jour., Mar. 8.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 56 Section 1 March 9, 1927.

FUNDS FOR RADIO BOARD — The press to-day reports: "In reply to Representative Bloom's suggestions that the Federal Radio Commission could not legally function, President Coolidge let it be known yesterday that the law could be carried out by adjusting funds appropriated for the regulation of radio under the Department of Commerce. While there will be no salaries for the Commissioners until Congress reassembles, the administration will organize the commission as soon as the Commissioners arrive in Washington."

ARMOUR COMPANY INQUIRY — An Associated Press dispatch to-day from Chicago says: "The board of directors of the Chicago Board of Trade yesterday appointed a special committee to investigate the alleged irregularities uncovered in a recent report of an arbitrator which decreed that the Armour Grain Co. should pay $1.600,000 to the defunct grain marketing company for having committed fraudulent acts that resulted in failure of the Farmers' Cooperative Association."

TAX RECEIPTS — The press of March 8 reports that the March collection of income and profits taxes will approach $600,000,000, or approximately $100,000,000 above that of one year ago, Treasury officials predicted March 7. They said the increase would be due to the prosperity of corporations.

BUSINESS CONDITIONS — Business is passing through a test month, says the American Bankers Association Journal to-day in its current business appraisal. "January was characterized by industrial production somewhat below normal," the journal says. "February brought the usual seasonal expansion in most lines that had been rather anxiously awaited. March will give an outline of the agricultural prospects, will open up spring wholesale and retail trade, and will show whether the expansion in industry, augmented by building construction and other out-of-doors activities, is justified in continuing. It will be a test month to determine whether business can be maintained at or near the record level of 1926....Between extreme views there is a middle ground, based on what might be spoken of as a new characteristic of modern business, namely, its broad diversity. American business has broadened its scope, agriculture and the production of raw materials have been supplemented by factories making an endless variety of finished goods, foreign trade on a tremendous scale has been built up. The banking system is entirely different and can hardly be compared with the inadequate and inelastic system of the past. The broadness of business to-day may very likely enable the readjustments which are necessary from time to time to be effected without seriously disturbing the aggregate volume of all business...."

Section 2

Canada's Fruit Production

Preliminary statistics submitted in a bulletin of the Canadian Pacific Railway indicate the total value of commercial fruit production in Canada for 1926 to be $19,578,702. These figures include only the apple crop of Quebec, but if the value of that Province's other fruits were available, the grand total for Canada would well exceed the $20,000,000 mark, says the bulletin. The outstanding item of production is the apple, with a Dominion output of 5,550,000 barrels, valued at $13,387,500, an average of $5.25 per barrel. The next highest contributor is the grape, of which 38,400,000 pounds, worth $1,920,000, were produced, followed by strawberries, totaling 6,230,000 quarts, with a value of $1,246,000. Five Provinces contribute to Dominion fruit production. In 1926 British Columbia had a very wide lead over other sections with an exceptional crop, which showed large increases in nearly all lines of fruit production. The commercial value of the output of the Pacific Coast Province is estimated to be $9,094,755. Ontario production was worth $6,748,896; that of Nova Scotia $2,733,600, Quebec (Apples only) $697,500, and New Brunswick $321,400.

Child Labor on Illinois Farms

The problem of child labor on the truck farms near Chicago is the problem of the child working away from home at an early age, working long hours, going long distances over complicated routes at hours early in the morning and late in the evening, to places of employment unknown to his parents, and, in some sections, with no certainty of finding work after the effort has been made. This statement is made by the U.S. Children's Bureau in a recent publication called, "Work of Children on Illinois Farms." A large proportion of the 501 children interviewed on these truck farms came to the farms to work by the day. Only a few resided on the farms. The great majority of the workers were the sons and daughters of foreign-born industrial workers and lived in the cities or towns of the district: Except among some of the children of farmers the amount of absence from school was not serious. This is largely because the principal season, during which children are employed on the truck farms, corresponds closely to the three months of the summer vacation, although there is some employment throughout the year. The work is irregular, but it totaled several months of employment a year for a majority of the children interviewed. The children weed and harvest a large variety of crops, the principal kinds of work including weeding, twisting onions, cutting asparagus, and pulling beets and carrots. None of it appeared to be particularly arduous except when continued for long hours. It was found that 196 children had worked more than 8 hours on the working-day they reported as typical, and 104 had worked 10 hours or more. The length of the child's working-day is increased by the distance between his home and his work. Work before or after school or on Saturdays or Sundays during the school term was reported by 155 children under 14 years of age, of whom 131 were hired laborers.

Cotton Rate Investigation

The press of March 8 reports that a series of hearings will be held throughout the country during April, May and June by Interstate Commerce Commissioner Thomas F. Woodlock and Examiner G. H. Mattingly for the purpose of receiving evidence from cotton shippers in connection with the commission's general investigation of the freight rate

structure of the country pursuant to the Hoch-Smith resolution. The hearings will open at Little Rock, April 20, then go to Oklahoma City, April 25; Dallas, April 29; Shreveport, May 6; Galveston, May 9; New Orleans, May 11; Memphis, May 16; Biloxi, Miss., May 18; Montgomery, Ala., May 23; Atlanta, Ga.,May 27; Columbia, S.C., June 1; Raleigh, N.C., June 3, and Los Angeles, June 20.

Cotton Textile Institute

A Greensboro, N.C., dispatch to the press of March 8 says: "Walker D. Hines, president of the Cotton Textile Institute, made his initial appearance in the cotton growing States March 7, when he attended a luncheon given in his honor at the King Cotton Hotel, and later addressed a large gathering of representative cotton manufacturers from Virginia and North and South Carolina. Mr. Hines is on a get-acquainted, get-together tour....Mr. Hines dwelt specifically upon some of the things the Cotton Textile Institute was doing or sought to accomplish. The leading function of the institute, he said, was to obtain for the various mills complete and accurate information bearing upon the problems of production and merchandising....Individual mills, he continued, were not obtaining adequate figures or a correct picture of the industry as an aggregate. It is the intention of the institute fo supply the figures vitally essential at an early date. New uses to which cotton may be put was another problem of tremendous importance, said Mr. Hines....'Exports,' said Mr. Hines, 'is another subject of fundamental importance. We want to explore the field of exports. We want to grow in this trade. Consequently we are keeping in close touch with Washington. It may interest you to know that the Departmentsof Agriculture and Commerce have been granted appropriations for extending the uses of cotton and cotton goods.'...."

Farming Evolution

An editorial in The Farm and Ranch for February 26 says: "....To-day a successful farmer must be equipped mentally as well as with the physical aids to produce economically, and so competition is becoming more strenuous every year. One farmer is able to produce cotton at less per pound than another, and the big grain farmer with his large capacity machines can produce wheat at less cost per bushel than the small farmer with just ordinary equipment. The difference in the cost of production makes the difference between profit and loss in many cases. Agriculture is the basic industry of the country. Like every other industry, those who do not keep up-to-date must give way. The manufacturer can not succeed with old and antiquated machinery and an unsystematic method of distribution. The farmer can not maintain a reasonable standard of living and make a profit on his labor and investment unless his soil is fertile and he is prepared to produce as cheaply and market with equal efficiency as others in the same line of business. As to corporation farming, Farm and Ranch does not fear that organized capital will ever supplant the live, intelligent farmers of the country. We have corporation farming now. Undoubtedly there will be more of it as conditions warrant investments of that character. Certainly, organized capital is not always going to ignore opportunities which exist, or may exist in the most essential industry of the world."

Packing Profits

Wholesale slaughtering and meat packing plants were reported by the Commerce Department March 7 to have had a total output in 1925 valued at $3,050,286,291, an increase of 18 per cent over 1923, the preceding census year. "Every item," the department said, "shows an increase in value as compared with 1923, but decreases in quantities appear for fresh and cured pork and for lard. For nearly every product the rate of increase in price was greater than that in quantity, or an increase in price was accompanied by a decrease in quantity."

Potato Future

An editorial in The Iowa Homestead for February 24 says:".... H.R.Smalley, director of the northern division of the National Fertilizer Association, has come out with the following statement: 'The outlook for the producer of potatoes for 1927 is a bright one. The acreage will not be unduly expanded on account of high seed cost; the yield per acre will, more than likely, be around 110 to 115 bushels per acre, but even so there is every reason to believe that the price will be satisfactory. Those growers who plant good seed, fertilize liberally and spray thoroughly have about a ten-to-one chance of making a substantial profit.'...."

Tobacco Pools

An editorial in The Wisconsin Farmer for February 24 says: "Western and northern leaf producers of Wisconsin held a marketing session recently at Viroqua wherein important matters of their own business organization, known as the Northern Wisconsin Cooperative Tobacco Pool, were discussed with warmth, insight and vigor.... Members who have been looking for market control and monopoly prices to arise as the result of the pool are probably somewhat disappointed; but this was never attempted in the grading and merchandising policies of the organization....We do know, however, that farm organizations outside of the pool have indorsed it with the hopes that it may continue to do business. Its abandonment will bring no incentive to future cooperative undertakings....So we are forced to conclude that if it fails it will be that much harder to start any commodity sales association in any line, with any chance of lasting benefit. By April 1 we shall know the answer."

Section 3

Department of Agriculture

An editorial in The Washington Post for March 9 says: "The Department of Agriculture takes a roseate view of the prospects ahead of the sheep raisers. The department sees greater stability in the future for the sheep industry than has been noted in the past, although it is admitted that fluctuations may have an important bearing on prices as they occur from time to time....While the department does not say so, it is nevertheless a fact that few people in the United States ever have the opportunity to cultivate a taste for mutton as the Englishman knows it. There special breeds of sheep are raised for mutton instead of for wool. Also the Englishman wants his mutton mature, both as to the age of the animal and as to the length of time the meat is allowed to hang after being dressed. It might be well for the department to start an educational campaign with the idea of teaching the joys of a properly 'cured' mutton chop!"

Section 3
MARKET QUOTATIONS

Farm Products March 8: Maine sacked Green Mountain potatoes $2.65 to $2.95 per 100 pounds in city markets; bulk stock $2 to $2.15 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.90 to $2.10 carlot sales in Chicago; $1.70 to $1.85 f.o.b. Waupaca. Midwestern yellow onions mostly $3 to $3.50 sacked per 100 pounds in consuming centers; few sales $3.15 f.o.b. West Michigan points. New York Danish type cabbage $20 to $30 bulk per ton in terminal markets; $15 to $18 f.o.b. Rochester. Texas round type $45 to $50 in midwestern cities; $15 to $17 f.o.b. New York Rhode Island Greening apples $4 to $4.25 per barrel in New York City. New York and Michigan Baldwins $3.50 to $4.25 and Ben Davis $2.75 to $3.50 in Chicago.

Chicago hog prices closed at $12.20, prices on beef steers choice $11.75 to $13.50; heifers good and choice $7.50 to $11; cows, good and choice $6.75 to $8.25; low cutter and cutter $4.25 to $5.25; vealers, medium to choice $9 to $12.75; heavy calves, $7 to $9; stockers and feeders, common to choice $6.25 to $9.25; fat lambs $13.65 to $16; yearling wethers $11 to $13.75; fat ewes $7 to $9.50; feeding lambs $13.25 to $15.

Grain prices quoted March 8: No.1 dark northern Minneapolis $1.40 to $1.46. No.2 red winter Chicago $1.35 to $1.36. No.3 red winter Chicago $1.29 to $1.34. No.2 hard winter Chicago $1.38 to $1.41; Kansas City $1.33 to $1.38; No.3 mixed corn Chicago 64 to 65¢; Kansas City 66 to 70¢. No.3 yellow corn Chicago 65 to 66¢; Minneapolis 68 to 70¢; Kansas City 71 to 74¢. No.3 white oats Chicago 43 to 47¢; Minneapolis 45 to 46¢; Kansas City 44 to 47¢.

Average price of Middling spot cotton in 10 designated markets declined 8 points, closing at 13.88¢ per lb. March future contracts on the New York Cotton Exchange declined 8 points, closing at 14.13¢, and on the New Orleans Cotton Exchange they declined 9 points, closing at 14.14¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Mar. 8,	Mar. 7,	Mar. 8, 1926
	20 Industrials	158.84	158.62	150.10
	20 R.R. stocks	124.53	124.65	107.00

(Wall St. Jour., Mar. 9.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 57 Section 1 March 10, 1927.

WORLD COTTON MILL CONSUMPTION BREAKS RECORD

An Associated Press dispatch to-day says: "World mill consumption of cotton was the largest on record for any half-year period in the six months ended January 31. A cablegram from the Federation of Master Cotton Spinners' Association of Manchester, England, to the Department of Agriculture yesterday places the quantity consumed at 12,934,000 running bales for the six months, an increase of about 5 per cent over the same period a year ago and an increase of about 5 per cent over the preceding six months of 1926. Consumption of American cotton reached 7,224,000 bales for the six months, compared with 6,974,000 bales for the same period a year ago."

ARMOUR OFFICIALS RESIGN

An Associated Press dispatch to-day from Chicago says: "Printed reports of the resignation of two high officials of the Armour Grain Company and appointment by the Chicago Board of Trade of a committee to investigate alleged irregularities of the concern in connection with the Grain Marketing Company failure held the attention of the grain trade yesterday. George E. Marcy, chairman of the board of directors of the Armour concern, and George Thompson, superintendent in charge of elevators, were the two officials, the Tribune said, whose resignations became known after a special meeting of the company's directorate...."

YUCATAN SISAL CASE

The Associated Press to-day reports: "An unlawful conspiracy to monopolize the binder twine business was alleged by the Government in the Supreme Court yesterday. The charge was made in argument on an appeal to set aside the decision of the Federal District Court at New York City dismissing the Government's suit against the Sisal Sales Corporation and others. William T. Donovan, assistant to the Attorney General, asserted that the company had entered into a conspiracy with a Yucatan corporation, despite the contention that the Yucatan corporation was governmental and that it would be futile to attempt to enjoin something that was lawful in a foreign country. He, however, argued that the unlawful conspiracy had been formed in this country and was punishable. Counsel for the defendants contended that the trial court should be sustained, declaring that the acts complained of had resulted from monopolistic laws in Mexico, which had given a company there complete control of the product in Yucatan, where all sisal is produced."

FORESTRY FUND

The American Forestry Association has announced an offer of $100,000 by George D. Pratt, president of the association, to be applied toward a $200,000 endowment to carry on the educational work of the association. The offer is contingent upon the raising of the remaining $100,000, but the announcement further explains that $60,000 of this amount is already available in the reserve fund of the association. The remaining $40,000 will be raised by solicitation among the members of the association and for new members. (Press, Mar. 10.)

Section 2

Cotton Industry Efficiency

A Charlotte, N.C., dispatch to the press of March 9 says: "Increased efficiency in operation of cotton mills and less expansion was suggested at Charlotte, March 8, by Walker D. Hines, New York, president of the Cotton Textile Institute, Inc., as the remedy for the situation in the cotton manufacturing industry. 'I have a conviction that not more mills but more business in the mills is the need of the industry,' he told newspaper men after he had met here with manufacturers of North Carolina. He previously had announced that a special study would be made of the yarn spinning situation to seek a remedy for troubles of yarn spinners. Mr. Hines declined to make any prediction regarding the future of the cotton industry, but declared that 'every movement directing public attention to cotton probably will be beneficial to some extent to the industry.'"

Cotton Situation

An editorial in The Breeder's Gazette for March 3 says: "Despite the fact that 'King Cotton' has more than once tottered, and is now in a posture all but regal on a throne based on millions of acres in the South, that crop's loyal subjects are not interested in a dictator. Most of them, however, apparently have no present desire to test on a broad scale the virtues of a diversified agriculture, which, as a kind of 'republic,' would insure the economic strengthening not only of their area but of the United States as a whole. It would give the South an increased measure of freedom to work out its salvation on sound lines. No one, however, who is informed concerning the South's agricultural problems, and is therefore sympathetically interested in them, condemns southern cotton-growers for the course which they have pursued and are still following. Old habits are difficult to change. It is the conviction of thousands of cotton growers that 'the more land they plant to cotton the more money they will have at the end of the year.' We quote this sentence from an instructive bulletin recently issued by the Chilean Nitrate of Soda Educational Bureau. Speculation upon the price of the 1927 crop features the conversations of farmers and others in the cotton areas. The large hold-over from 1926 aggravates the difficulty experienced by those who are trying to decide what reduction, if any, they should make in their acreage this year. Important improvements have been made by organized producers in methods of growing, grading and marketing the crop, and in handling its byproducts.....Much has been done and much will be done by organized growers at home and in legislative halls to perpetuate the reign of this crop, and to increase the returns from its production. Meantime, however, the most important factor in their problem is the cost of production. It is largely a controllable factor. High yields per acre are almost always associated with a high-quality crop. Low acre-yields plus inferior quality are, to a far greater extent than is generally known or believed, responsible for the economic condition of southern cotton-growers and thousands of other farmers as well. Those who obtain high acre-yields of any staple always make more or lose less money than those who grow average or sub-average yields. Many 'master-farmers' made fair profits on a number of crops, including cotton, last year. Most of them used barnyard or chemical manures. A top-root factor in a healthy agricultural program and in the well-being of farm people, in the South or elsewhere, is available plantfood. At its roots 'the farm problem' is primarily a soil fertility problem, to be dealt with as such."

Cotton Yarn Association in Britain The Nation and Athenaeum (London) for February 26 says: "The Cotton Yarn Association, the objects of which have been explained and supported by J.M.Keynes in these columns, was, after many doubts and difficulties, successfully launched in Manchester on February 18. The association had set itself to secure the adhesion of 19,000,000 spindles, which would represent 70 per cent of the American yarns spun for sale. They have in fact obtained 20,692,595 spindles, which is about 76 per cent of the industry. This result is a great success for Mr. Dixon and Mr. Ryan, the chairman and secretary of the organizing committee. The association has a stiff task in front of it, and it is doubtful how much loyalty in adversity it will be able to command. We hope that, so far as its minimum price policy is concerned, it will keep the official figure below what spinners can normally hope to obtain. It starts, however, in a decidedly favorable atmosphere. There is no doubt that the revival of business in Manchester since the beginning of the year has been in respect of volume on a really substantial scale, though profit-margins have remained unsatisfactory, and scarcely began to recover until the last week or two. Some authorities estimate that the volume of output in the American section, both spinning and weaving, has increased from 60-65 per cent of capacity at the end of last year to 75-80 per cent at the present time. This should have a favorable influence over export statistics in due course."

Food Demand An editorial in The Pennsylvania Farmer for March 5 says:"In spite of the immense expenditures for other things, food is the biggest item of expense in America. The estimated retail value of what the people eat in a year in this country is twenty billion dollars.... Some idea of the tonnage of food products marketed may be gathered from the figures of the railroads alone which show they carry 116,-980,000 tons annually. So fast has the urban demand for food grown that the farmers of the Nation produced last year twice as much as was necessary thirty-five years ago. It would be interesting to know what part of this twenty billion dollars the farmers received. It is estimated that the total farm value of last year's products was ten billion dollars. Of this amount, probably three-fourths was sold off the farm. While the difference between seven and one-half billions and twenty billions is great, still it must be remembered that a great part of it is made up of manufacturing costs, transportation, retail costs, and many other expenses before it reaches the city consumer's table. It may well be that the spread is too great, but what are we doing about it?"

Orient Trade Possibility An editorial in The Oregon Farmer for February 24 says: "The far-flung possibilities of trade with the Orient through the Pacific Northwest have been outlined many times by eastern visitors to this section and the western ocean is recognized as the area of greatest development a few generations hence. It remained, however, for W. B. Barney of Iowa, legislative specialist for the Holstein-Friesian Association of America, to give the vision a strictly agricultural touch. Speaking at the Portland Chamber of Commerce recently, Mr. Barney said that the Philippines and Japan, especially Japan, are enlarging their dairying activities every year and predicted that the Japanese will soon be importing 10,000 cattle a year from the western coast of the United States. They will buy both purebred and

grade cattle, he said, but mostly purebred. The purchases which already have been made, though small, lend color to his prediction."

Soldier Land Settlement in Canada

A bulletin of the Canadian Railway, reviewing a nine-year survey of soldier land settlement, states that Major E. J. Ashton, Commissioner of the Soldiers' Settlement Board, presents a good case to justify the operation of the scheme on purely economic grounds, which the review does not regard as the major consideration. While admitting a considerable number of failures, Major Ashton finds that successes among the soldier settlers are just as common as successes among the general farming public. "More than 30,000 ex-soldiers have been placed on the land under the soldier settlement legislation of 1917 and 1919," says the bulletin. "Over 24,000 have received direct financial assistance, and 6,500 have been given free grants of Dominion lands without financial aid. In the last fiscal year there were 17,281 settlers with payments due, and of these 8,439 met their payments in full, 6,920 made part payments, and 4,541 made pre-payments. In that year soldier settlers paid well on to four million dollars into the Dominion Treasury which, in addition to covering all administrative costs, more than sufficed to provide the funds during the year for general colonization purposes, including advances under the British 3,000 family scheme. At the end of the calendar year 918 ex-soldiers on the land had repaid their loans in full; of these 518 were still farming and 400 had sold their farms. Among those who have repaid their loans, according to the Commissioner are men whose success in the difficult post-war years has been amazing. Some soldier-settlers who started with practically nothing are to-day rated by their bankers as worth from $15,000 to $20,000, all made from the land...."

South African Cotton

The Field (London) for February 24 says: "Eighteen months ago, at a meeting of the Empire Cotton Growing Corporation, Lord Derby said: 'Prospects in the Union of South Africa are so promising that the corporation, in considering possible schemes of settlement, have found their main difficulty in the phenomenal appreciation of land values in the last twelve months.' Since then, not only have many new settlers suffered severe financial loss, but some have left the country. Their limited capital was obviously insufficient to meet the cost of clearing thickly-bushed land, for which top prices had to be paid, in addition to providing for the usual initial expenses of the new comer. Various land companies and interested individuals are the chief culprits, since their representations have been largely responsible for most of the failures on the part of those who have specialized in one crop in the so-called 'Cotton Belt'! That word, derived from American sources, is not rightly applicable to any particular part of the Union of South Africa, since, though areas suitable for cotton growing can be found in many districts below the 4,000 ft. level, they are scattered in patches throughout the northern and eastern portions of the Transvaal and in Zululand. The extremely varying local characteristics of both soil and rainfall prevent any large area from claiming to rank as a solely cotton-growing country.... The available parts of nearly all this area are covered with bush and forest--and are largely owned by land companies. All such land is advertized from time to time as suitable for whatever purpose may

happen to be in the public eye at the moment, and when the cotton boom set in most of the land for sale was declared to lie within the 'Cotton Belt' of South Africa. Disillusionment on the part of those who bought land was bound to follow; and the finishing touch has been given to the collapse of the boom by the fall in the price of cotton. That is a matter not within the control of South Africa, for the world's market is dominated by the American crop. In addition, the situation within the Union has not been good owing to two bad seasons in succession and to increasing labor difficulties--occurrences which must be regarded as inevitable, if not actually normal in the country. But the keeping back of land with a view to disposing of it at exorbitant prices is a very different affair.... The Union Department of Agriculture has always deprecated the existing slipshod methods of growing cotton, and advocated the policy of producing the crop on more intensive lines."

Section 3
MARKET QUOTATIONS

Farm Products March 9: Chicago hog prices closed at $12.25 for the top. Beef steers advanced mostly around 25¢ with the lower grades slightly higher. Heifers were steady to 50¢ higher, with cows steady to 15¢ higher. Vealers declined $1, heavy calves were steady to 75¢ lower. Stockers and feeders advanced. Fat lambs gained 25¢ to 50¢. Yearling wethers, fat ewes and feeding lambs showed some decline.

Maine sacked Green Mountain potatoes $2.65 to $3.15 per 100 pounds in eastern cities; bulk stock $2.05 to $2.15 f.o.b. Presque Isle. New York and Michigan Rhode Island Greening apples steady in Chicago at $4.50 to $4.75 per barrel; $3.75 f.o.b. Rochester. New York Danish type cabbage $20 to $30 bulk per ton in terminal markets; $15 to $18 f.o.b. Rochester. Texas Round type $40 to $50 in midwestern cities; $16 to $20 f.o.b. Onions made advances of 50¢ to $1. New York and midwestern yellow varieties ranging $3 to $3.75 sacked per 100 pounds in consuming centers; $2.75 to $3.25 f.o.b.

Closing prices on 92 score butter: New York 52¢; Chicago 51 1/2¢; Philadelphia 53¢; Boston 52 1/2¢.

Grain prices quoted March 9: No.1 dark northern Minneapolis $1.40 to $1.46. No.2 red winter Chicago $1.35 to $1.38. No.3 red winter Chicago $1.29 to $1.35. No.2 hard winter Chicago $1.38 to $1.41; Kansas City $1.33 to $1.38. No.3 mixed corn Chicago 65 to 66¢; Minneapolis 65 to 67¢; Kansas City 67 1/2 to 70¢. No.3 yellow corn Chicago 66 to 67¢; Minneapolis 69 to 71¢; Kansas City 71 to 74¢; No.3 white corn Kansas City 67 1/2 to 70¢. No.3 white oats Chicago 43 to 47¢; Minneapolis 44 to 46¢; Kansas City 45 to 47 1/2¢.

Average price of Middling spot cotton in 10 designated markets declined 14 points, closing at 13.74¢ per lb. March future contracts on the New York Cotton Exchange declined 16 points, closing at 13.97¢, and on the New Orleans Cotton Exchange they declined 12 points, closing at 14.02¢. (Prepared by Bur of Agr. Econ.)

Industrials and Railroads	Average closing price	Mar. 9,	Mar. 8,	Mar. 9, 1926
	20 Industrials	159.86	158.84	151.27
	20 R.R. stocks	125.51	124.53	107.81

(Wall St. Jour., Mar. 10.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 58 Section 1 March 11, 1927.

THE SEED LOAN FUND

The Associated Press to-day reports: "Hope of obtaining $8,600,000 with which to make seed loans to farmers has virtually been abandoned by the administration. The loan was authorized by Congress, but the appropriation for it was in the second deficiency supply bill which failed of final approval. Senator Phipps of Colorado, a member of the appropriations committee, yesterday informed President Coolidge he had been unable to find a way of getting the money without the appropriation. Senator McMaster of South Dakota likewise held the view that there was virtually no means of getting the funds as a result of the failure of the bill."

RADIO COMMISSION ORGANIZED

The press to-day reports: "The Federal Radio Commission met to organize yesterday with three of its members in attendance and expects to go ahead with its plans for radio control in accordance with the authority contained in the new law approved by President Coolidge February 23. The commission does not look for any challenge in the courts of its right to issue new licenses for broadcasting. The act provided that stations may continue to broadcast under their present licenses for a period of sixty days--or until April 24--when new licenses must be obtained.... Following to-day's meeting it was stated informally that the radio situation would be 'cleared up' soon and that there would be no obstacles to reissuance of licenses on April 24....It is the contention of Representative Bloom of New York that failure of Congress to appropriate salaries for the commission disqualifies that body from operating....Secretary Hoover, who has large responsibility under the new law, does not agree with Mr. Bloom. Nor do the members of the commission appear to doubt their rights to proceed with administration of the law as directed by Congress...."

NEW YORK MILK FRAUDS

The New York Times to-day reports: "Bootleg cream from unapproved sources in the West is again being smuggled into New York City by some of the same men involved in the graft scandals for which Thomas J. Clougher, secretary to former Health Commissioner Frank J. Monaghan, is now serving a sentence in Sing Sing Prison, it was made known yesterday by Health Commissioner Harris. The International Milk Company of Irvington, N.J., and the Beakes Dairy Company of Hackensack are under investigation in the present situation, Doctor Harris said. The former concern, he explained, formerly did business here under the name of the Valley Dairy Company, its permit having been revoked several months ago. Harry Danziger, so-called 'czar of the bootleggers,' testified that he made an arrangement through Clougher whereby the Valley Company could bring western cream into New York City by the payment of $1 a can, and that the money was turned over to Clougher. Doctor Harris said that other bootleg cream and milk dealers who had been driven from the city through the action of the Health Department, had established themselves in adjoining States, and that illicit shipments were coming in....."

Section 2

British Agriculture

Country Life (London) for February 26 publishes a review of "The Dying Peasant," by J. W. Robertson-Scott. This says: "Mr. Robertson-Scott frankly confesses to choosing not because it is necessarily true, but because it is arresting, because he knows that the problem of a rural book is to get it read by people who are not rural. Great Britain, he says, has an agricultural life which, with many outstanding excellences, is nevertheless vastly different to what it might be. The Nation is like an old man hobbling about with a bad leg. It pains him at times, but he can hardly picture himself without it. And so with the shortcomings of our rural life. The facts are deplored, but have come to be accepted as part and parcel of the national lot, seeing that we took the industrial turning.... And so, with earnestness and a new hope, the reader hastens to turn the pages to find the remedy for this national lameness. But, alas, he can find in the book no guidance as to how home-producers can overcome the economic conditions of to-day, no hint to show how nationalization of the land, which is advocated, can do other than add an intolerable burden either on a hard-pressed industry or on the urban tax-payer. Cooperation is, of course, urged, and none of us will deny its possible value in several directions. Increased security of tenure is another plea, but elsewhere in the book we find bitter complaint of backward and unenlightened farmers, which seems to point to less rather than greater security being desirable...."

Corn Borer

An editorial in The Ohio Stockman and Farmer for March 12 says: "Some of the Department of Agriculture's plans for control of the corn borer are outlined on another page of this issue. The careful reader will note that they involve certain State legislation, which is already on the way and probably will be enacted by the time it is needed. This legislation looks more severe than it really is, for when dealing with such a subject the law must be made to cover the worst and not merely the ordinary case, whether it be insect or human. In most cases the cooperation of authorities State and national may be expected, and with them the cooperation of farmers. In many places farmers have voluntarily organized for this very purpose, realizing that such a pest can not be controlled unless all concerned lend a hand."

Dairy Industry in The Ozarks

Tom Shiras, of Mountain Home, Ark., writing in Manufacturers Record for March 10 on the dairy industry in the Ozarks says: "The prosperity of any community in the Ozarks is indicated largely now by the number of cream cans on the railroad station platform on a Saturday afternoon in the town that serves that community. Fifteen years ago a cream can was as much of a curiosity as an airplane. To-day they are as common as railroad ties and cedar posts. Full, they are worth from $8 to $10, according to the price of butterfat. They have taken the sting of poverty away from the mountain farmer, and given him and his family not only the necessities of life but many of the small luxuries. The development of the dairy industry in the Ozarks, in Missouri and Arkansas, has been one of the most notable along agricultural lines in the history of the section. Within the next few years it promises to be the largest revenue producer in the hill country. The butter production of the creameries that draw their cream supply from the Ozarks has crept, year by year, from nothing, 15 years ago, to 50,000,000 pounds annually....Ninety per cent of the

cream in the Ozark region is purchased through cream stations maintained by the creameries in the different towns. The other 10 per cent is shipped direct to the creameries by the producer, either by parcel post or express. Every cream station is equipped with a testing laboratory and cream is purchased according to its butterfat content. Two products are manufactured from the cream--butter and buttermilk powder....Formerly many farmers in north Arkansas and extreme south Missouri depended solely on cotton as a money crop. They had one payday each year from this crop, and about two out of every three years were a disappointment. To-day they raise about the same amount of cotton they used to, but have a payday every week from their cream sales. When they sell their cotton it represents profit. Revenue from cream in many sections is now as much as cotton."

Dakota Grain Rates

The press March 9 reports that a revision of rates on grain and grain products from North and South Dakota to principal marketing terminals was postponed March 8 by the Interstate Commerce Commission until its general investigation into western grain rate levels is completed. A minority of the commission dissented vigorously from the majority ruling and advocated immediate action on the rates. Changes in the northwestern grain rates were proposed to the commission from two different standpoints, railroads serving the territory having filed a series of rates based on a mileage scale which would have increased the charges on grain moving to markets from North Dakota and western Minnesota, though they would have placed the two territories on an equal basis. South Dakota farm organizations, shippers and representatives of the State Government sought a reduction and opposed the railroad proposal.

Educational Standard Development

An editorial in Manufacturers Record for March 10 says: "As never before in our history this country is becoming absorbed more and more in the question of education. People who a few years ago would scarcely have thought of sending their children to school longer than to pass out of, or possibly into, the grammar school are now encouraging them to take the high-school course and to follow with the college course. The number of students in our high schools has increased to an amazing extent in recent years. Practically every important college in the country, male and female, is compelled each year to turn away applicants for admission, and for admission to many of the colleges application must be made years ahead. Take the city of Baltimore as one illustration which fits the whole country. Within the last few years Baltimore has had to spend $21,000,000 in erecting new public school buildings, and now it is asking the legislature to authorize another issue of $10,000,000 of bonds for more buildings....From one end of the land to the other the same conditions apply. It seems impossible to erect school buildings in towns and cities rapidly enough to meet the increase in the number of scholars. Instead of pupils in the public schools dropping out before reaching the high school stage, a large proportion of them are now going through the high schools, and thus in addition to the increase of population there is an increase in the length of time at school and, therefore, a double increase is constantly going on. In seven years the population of the country has increased by 13,900,000, practically 2,000,000 a year. The influence of this upon economic affairs can

scarcely be measured. Its influence upon school work, however, is even more pronounced than in economic life...."

French Exports France's exports in January 1927, according to official figures compiled by the customs authorities and transmitted to the Bankers Trust Company of New York by its French information service, exceeded imports by 629,763,000 francs and showed an increase of 849,655,000 francs over the exports of the corresponding month of 1926, but a decline of 685,991,000 francs when compared with the month of December 1926, the totals being respectively 4,708,855,000 francs for January 1927, 3,859,200,000 francs for January 1926, and 5,394,846,000 francs for December 1926. Imports amounted to 4,079,092,000 francs as against 5,122,880,000 in December 1926, or a decline of 417,742,000 francs when compared with January 1926.

Grain Marketing Company An editorial in The Ohio Stockman and Farmer for March 12 says: "Not much of the inside history of the Grain Marketing Company, formed in 1924 and dissolved the next year, has ever been made public. The Grain Marketing Company was a combination of five grain companies, holding under option the properties and business of all merging companies and doing business as a marketing agency. It was sponsored by the American Farm Bureau Federation and prominent men in that organization were selected as officers. It was to operate as the central grain marketing agency of organized farmers, who were expected to buy its stock and so pay for its properties and furnish its working capital. But not all the State organizations which form the American Farm Bureau Federation would agree to the plan, farmers refused to invest in the stock, and the five companies took back their properties and resumed their several businesses. They did not do so harmoniously. Against one of them, the Armour Grain Co., charges and claims were made which were submitted to an arbitrator. His decision is that the Armour Grain Company must pay the others a sum approaching $3,000,000, he finding that said company's employees had changed stock books to show greater quantities and higher qualities of grain in its elevators than were actually there at the time of the merger. Incidentally, it is said that the Grain Marketing Company while under its board of farmers lost about $2,400,000, but we have no means of confirming that report. Farmers who invested in stock of the company were not losers, however, their money having been returned when the company dissolved. The experience of recent years shows that a national grain marketing agency is not necessary under our present system of marketing. Moreover, it is doubtful whether any regional cooperative grain marketing agency is capable of rendering more economical service than is available to growers in other marketing agencies. The economies of cooperative grain marketing beyond the local elevator are hard to discern."

Sheep and Wool Meeting The Ohio Stockman and Farmer for March 12 says: "The forty-fifth annual meeting of the Tri-State Sheep and Wool Growers' Association will be held at Wheeling March 18, a big day of three sessions instead of a two-day meeting. The program devotes much attention to economy of production, which is proper in view of increasing production of sheep and wool in this and competing countries. Marketing is not neglected and the proper preparation of wool for market is stressed. The wool show is expected to be better than ever

this year, being held about a month later, and it will include educational as well as competitive exhibits. The sheepmen of Ohio, Pennsylvania and West Virginia can spend a profitable day in Wheeling on Friday, March 18."

Section 3
MARKET QUOTATIONS

Farm Products

March 11: Livestock quotations at Chicago on top price of hogs $12.15.

Maine sacked Green Mountain potatoes $2.50-$3.10 per 100 pounds in eastern markets; bulk stock $2.05-$2.15 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2-$2.25 carlot sales in Chicago; $1.85-$1.95 f.o.b. Waupaca. New York and midwestern yellow onions $3-$3.75 sacked per 100 pounds in consuming centers; top of $4 in Baltimore; $2.75-$3.25 f.o.b. Cabbage, New York type, $20-$25 bulk per ton in a few eastern markets; $15-$16 f.o.b. Rochester. Texas Round type $35-$50 in midwestern markets; $15-$20 f.o.b. New York and Rhode Island Greening apples $4.25-$4.75 per barrel in Chicago; Baldwins $3.50-$4.25. Eastern Staymans $2.25-$2.50 in Philadelphia and Baltimore.

Closing prices on 92 score butter: New York 51¾¢; Chicago 51¼¢; Philadelphia 52½¢; Boston 52½¢.

Closing prices at Wisconsin primary cheese markets March 9: Single Daisies 22½¢; Longhorns 22¢; Square Prints 22¾¢.

Average price of Middling spot cotton in 10 designated markets declined 3 points, closing at 13.71¢ per lb. March future contracts on the New York Cotton Exchange declined 2 points, closing at 13.95¢, and on the New Orleans Cotton Exchange they declined 4 points, closing at 13.98¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.39-$1.45. No.2 red winter Chicago $1.34-$1.35. Kansas City $1.31-$1.32. No.3 red winter Chicago $1.27-$1.33. No.2 hard winter Chicago $1.37-$1.39; Kansas City $1.33-$1.38. No.3 mixed corn Chicago 64¢-65¢; Minneapolis 64¢-66¢; Kansas City 67¢-70¢. No.3 yellow corn Chicago 65¢-66¢; Minneapolis 68¢-70¢; Kansas City 71¢-74¢. No.3 white corn Chicago 67¢-70¢; No.3 white oats Chicago 41¢-46¢; Minneapolis 43¢-44¢; Kansas City 46¢-48¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar.10,	Mar. 9,	Mar.10, 1926
20 Industrials	160.87	159.86	153.13
20 R.R. stocks	126.24	125.51	108.69

(Wall St. Jour., Mar. 11.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 59 Section 1 March 12, 1927.

MCNARY PLANS NEW FARM BILL

The Associated Press to-day reports that Senator McNary, chairman of the Senate agricultural committee, has turned his attention toward drafting a new measure for presentation to Congress when it convenes in December. He plans during the summer to confer with agricultural leaders in an effort to devise a proposal that will meet the needs of the farmers and be acceptable to the President.

BOULDER DAM AND MUSCLE SHOALS

The Associated Press to-day reports: "Plans for arousing public opinion behind Muscle Shoals and Boulder Canyon Dam legislation at the next session of Congress were discussed yesterday at an informal meeting of Senators and Representatives at the Capitol. After speeches had been delivered by Gifford Pinchot, former Governor of Pennsylvania, who declared 'the power trusts are attempting to monopolize all of the water power in the country,' and by Senators Norris of Nebraska and Johnson of California, respectively, sponsors of Muscle Shoals and Boulder Canyon Dam legislation, decision was reached to keep the subjects alive during the summer by speeches from the platform and the issuance of literature...."

THE SAPIRO-FORD SUIT

An Associated Press dispatch to-day from Detroit says: "Cooperative marketing in all its phases will undergo expert analysis when the $1,000,000 libel suit of Aaron Sapiro against Henry Ford gets under way in United States district court in Detroit on Tuesday. A voluminous declaration containing excerpts from alleged libelous articles appearing in the Dearborn Independent and numerous depositions will go into the record....The declaration in the suit asserted that Sapiro had passed fifteen years building up agricultural marketing organizations which now exist in nearly two score States and that irreparable damage had been done to his reputation with farmers of America and Canada by the series of articles...."

WOOL DEMAND

The Commercial Bulletin (Boston) to-day says: "The demand for wool is slow, while prices are barely steady in the local market. Fundamental conditions in the market have not changed particularly, however, and the outlook is regarded with more or less optimism. Meanwhile, the trade waits for a more positive development in the market for heavyweight goods. In the West there has been little new development. Some held-over lots in the bright wool States are available at around 39 cents. The foreign markets are very strong generally and against the buyer. Prices are expected to be par to 5 per cent higher at London Tuesday."

Section 2

British Artificial Silk

Great Britain's production of artificial silk in 1926 was approximately 25,600,000 pounds, or say 12.8% of the estimated world production of 200,000,000 pounds. No new companies were formed in 1926, but a number commenced production on a commercial scale, and during the current year it is expected that in addition to an increase in the productive activity of various factories, several new ones will be started, according to advices received by Bankers Trust Company of New York from its British information service. During 1926 the artificial silk industry was satisfactorily stabilized, in spite of the fact that, while not affected by the coal strike to the same extent as the engineering industry, it was severely affected by the increased production costs, and the reduction in the demand owing to the smaller buying power of the mass of the people. During December the exports of wool and artificial silk mixture piece goods showed an improvement over those of November, but the exports of cotton and artificial silk mixture piece goods fell off considerably. However, the consumption of artificial silk in Great Britain increased steadily during the year, especially after the price reduction in July, and with an increase in the number of Lancashire and Yorkshire manufacturers using artificial silk, the prospect for the near future is reported to be bright, provided there are no labor disturbances.

Business Stability

An Atlanta, Ga., dispatch to the press of March 11 says: "Gilbert H. Montague of the New York bar, in an address in Atlanta March 10, declared that the friendly attitude of the Government and the public to America's business had contributed to a record-breaking income of $89,000,000,000 for the American people in 1926. 'This situation,' Mr. Montague said, 'has resulted from the sound policy that has latterly been adopted by the courts with respect to the interpretation and enforcement of the anti-trust laws. Business and the law are to-day closer in step than they have been at any time since the passage of the Sherman Act in 1890. The significance of this accomplishment, in the industrial and social life of America, is so great that even now it is not entirely appreciated....'"

Cooperative Marketing in Oregon

An editorial in The Oregon Farmer for March 3 says: "Cooperative marketing is well thought of and is being carefully studied around Woodburn Marion County, Oregon, where small fruits, poultry products and wool are sold through well established associations, and there was a large turn-out at the cooperative marketing school held there early in February under the combined auspices of the O.A.C. extension service and the Woodburn Fruit Growers' Cooperative Association. The economics of cooperation, recent developments and trends, value of the contract, duties of the manager and member responsibility are among the subjects that were considered. A week later a combination dairy and poultry meeting brought out a different crowd for study of important problems confronting these industries. It was called the Woodburn Cooperative Poultry Association."

Cotton Uses

An editorial in The American Fertilizer for March 5 says: "A resolution indorsing the plan of Harry D. Wilson, State Commissioner of Agriculture of Louisiana, to provide new uses for cotton to raise the price of the staple, was unanimously adopted recently at a meeting

of the principal cotton farmers and ginners of Louisiana and adjacent territory. Commissioner Wilson's principal suggestion, in providing more uses for cotton, was the substitution of a cotton bagging for jute as heretofore used in cotton bale covering."

Home Demonstration Agents in Florida

An editorial in The Florida Times-Union for March 8 says: "Work being done by home demonstration agents in Florida, as elsewhere, is not causing any particular excitement, although it is work of the most valuable character. Excitement, because of what these home demonstrators are doing, is not to be expected, mainly for the reason that the very capable women who are demonstrating various ways and means by which the necessary farm home work can be expedited and made less laborious, bringing, also, more of beneficial results, are working so quietly as not to attract any considerable amount of attention. Furthermore, these women are not working with the idea of winning public applause; they are working for definite, practical results such as may be seen and appreciated....Florida has a corps of women engaged in home demonstation work, and who are proving their worth in many ways and directions. They are thoroughly in earnest; they are as thoroughly practical. With it all they are so very quiet and unassuming, which is all the more reason for giving them the measure of commendation their very good work merits...."

Nitrate Cost

The press of March 11 says: "The announcement of a reduction of more than 50 per cent in the production cost of nitrates by the Government of Chile was made March 10 by Gustavo Munizaga, Consul General of Chile, who received a telegram to that effect from the Chilean Ambassador at Washington. The reduction has been permitted, it is reported, as a result of new processes in extracting nitrate from nitrate-bearing rock. 'The Government announces,' the Chilean Ambassador's telegram read, 'that the Guggenheim and Prudhomme processes have permitted a reduction in the costs of producing nitrates of more than 50 per cent.'...."

Publishing Business

Based on values added by manufacture the printing and publishing business stands first of all industries in the United States, says an article in the current number of the American Bankers Association Journal. "In the rather extensive list of industries on which bankers are accustomed to keep well informed, it appears strange that one of the most important is seldom referred to," the article says. "That industry is printing and publishing. The census uses a method of ranking industries based on the value added by manufacture. In the motor industry, for example, the value added by manufacture makes up only 32 per cent of the value of finished products. In printing and publishing value created by the industry accounts for 73 per cent of finished products. Based on this measure, the printing and publishing business is ranked first of all industries in the United States. In the figures for 1925, the value added by manufacture in this industry reached the sum of $1,659,579,534, which compares with $1,435,420,064 two years before, an increase of 15.6 per cent. The business proper comprises three branches: newspapers and periodicals; book and job; music. The largest revenue producers are the newspapers, which reported an income aggregating $892,094,122...."

Wheat Conditions

An editorial in The Wall Street Journal for March 10 says: "Wheat on farms as of March 1 is officially estimated at 130,444,000 bushels, against 100,137,000 a year ago. An analysis of the figures shows wheat is in a strong technical position. Demand is equal to supply; the carryover on July 1 is likely to be smaller than usual. For this reason, the market may well be notably sensitive to any unfavorable developments in the growing crop. These conclusions are at variance with the market's interpretation of the estimate, as upon publication of the report it sold off....But there are other things to be taken into consideration. A year ago the importing countries had a large harvest and the United States one which was almost a calamity. This year the situation is reversed. Europe's production of bread grain rye and wheat is approximately 350,000,000 bushels less than the preceding year, while the potato crop also is smaller. It is a reasonable conclusion that the importing countries will take more wheat than a year ago, although nothing like the difference between their two harvests. Our crop in 1926 was 832,000,000 bushels, against 676,000,000 in 1925, yet we now have but 50,000,000 bushels more in the total supply of crop and carryover. The reason is in our heavy exports, already amounting to 100,000,000 bushels more than a year ago. It is true that the Southern Hemisphere has a large supply, but Australia's wheat is soft and Argentina's semi-soft. For this reason millers take hard wheat from Canada to mix with other kinds. But this year the Canadian wheat shows a high moisture content, so more is taken from the United States. While the world supply is sufficient conditions favor our own growers. Judging the future by the past the present supply should leave less than 90,000,000 bushels for export to June 30 and the carryover. In the past five years exports from March 1 to June 30 averaged 42,000,000 bushels. They should be no less, but if anything more, this year. So the carryover looks like less than 50,000,000 bushels, which is a small figure. Statistically, therefore, wheat is in a strong position and, as the season approaches the end, the new crop condition will become a most important factor."

Section 3

Department of Agriculture

1 In an editorial on the amaryllis show, the Washington Star for March 10 says:"...The Department of Agriculture has been generous and instructive in its flower shows. Its annual chrysanthemum show is perhaps the best chrysanthemum show in the United States and always draws tens of thousands of spectators. The rose gardens of the department are developing and there will no doubt come the time when the Government's rose, carnation and dahlia shows at Washington will be celebrated throughout the country and will be an inspiration to professional and amateur florists and to millions of persons not within those classifications."

2 An editorial in The Western Breeders Journal for March 3 says: "It is an important part of the work of the United States Department of Agriculture to investigate and report upon the extent of coming crops and also upon the probable demand for those crops. These reports usually indicate whether, in the opinion of the officials of the department, prices for these crops are going to be good, bad or indifferent. Some of the sheep men object to this practice. They

don't mind the publication of statistics, but they criticize the department for expressing any opinion as to what the market is going to be like, particularly if the opinion is not optimistic from the point of view of the sheep business. We are inclined to agree with the Secretary of Agriculture that the argument of the sheep men is not valid, and that 'there is a clear need for disinterested, unbiased judgment,' which is made available by no other agency. A mere set of statistical tables would be almost worthless to the average producer. Statistics are made vital only by an intelligent and impartial interpretation of them. The plea of the National Wool Grower that the sheep man should use his own judgment is quite all right--and the fact that he has the independent opinion of the Department of Agriculture as an additional guide should not hinder him from so doing. 'Such judgments,' says Mr. Jardine, 'may be unfavorable temporarily to one interest or another. But in the long run an industry guided by them will avoid many difficulties. The truth is sometimes unpalatable. It is nearly always good medicine.' And that's the plain truth."

Section 4
MARKET QUOTATIONS

Farm Products

March 11: Livestock quotations at Chicago on top price of hogs $12.30.

Maine sacked Green Mountain potatoes $2.50-$3.10 per 100 pounds in eastern markets; bulk stock $2.05-$2.15 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2-$2.10 carlot sales in Chicago. Florida Spaulding Rose $16-$17 per barrel. Best New York Rhode Island Greening apples $4-$4.75 per barrel in city markets; $3.75 f.o.b. Baldwins mostly $3.50-$4.25. Best New York Danish type cabbage $22-$25 bulk per ton in terminal markets; mostly $15 f.o.b. Rochester. Florida pointed type $1.50-$2 per 1½ bushel hamper. New York and Midwestern yellow onions $3.25-$4 sacked per 100 pounds in consuming centers; $3-$3.75 f.o.b.

Closing prices on 92 score butter: New York 50¢; Chicago 51¢; Pennsylvania 51¢; Boston 51½¢.

Closing prices at Wisconsin primary cheese markets March 10: Single Daisies 22¼¢; Double Daisies 22¼¢; Longhorns 22¢; Square Prints 22 1/8¢.

Average price of Middling spot cotton in 10 designated markets declined 5 points, closing at 13.66¢ per lb. March future contracts on the New York Cotton Exchange declined 6 points, closing at 13.89¢, and on the New Orleans Cotton Exchange they declined 7 points, closing at 13.91¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.39-$1.45. No.2 red winter Chicago $1.34-$1.35; Kansas City $1.31-$1.32. No.3 red winter Chicago $1.27-$1.33. No.2 hard winter Chicago $1.37-$1.39; Kansas City $1.33-$1.38. No.3 mixed corn Chicago 64-65 cents; Minneapolis 64-66 cents; Kansas City 67-70 cents. No.3 yellow corn Chicago 65-66 cents; Minneapolis 68-70 cents; Kansas City 71-74 cents. No.3 white corn Chicago 67-70 cents. No.3 white oats Chicago 41-46 cents; Minneapolis 43-44 cents; Kansas City 46-48 cents. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 11,	Mar. 10,	Mar. 11,1926
20 Industrials	160.18	160.87	153.00
20 R.R. stocks	127.52	126.24	110.41

(Wall St. Jour., Mar. 12.)

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Vol. XXIV, No. 60 Section 1 March 14, 1927.

GOVERNMENT APPROPRIATIONS The press to-day reports: "A total of $4,211,201,270.41 was provided for current expenses of the Government for the fiscal year beginning July 1, Chairman Madden, of the House appropriations committee, announced yesterday in summing up the financial activities of the recent session of Congress. While the amount is $242,600,525 below that made available during the present fiscal year, the chairman said the reduction would have been only $100,000,000 if the Senate had passed the second deficiency supply bill and the public buildings measure....Mr. Madden pointed to many minor increases in the activities of the Government and maintained that so long as the country's normal activities continually are enlarging 'it is futile to expect that the relationship between the Government and the expanding interests of its people can be maintained without an increasing cost.' ...."

AMERICAN INCOME The national income for 1926 was $89,682,000,000, or an average of $2,010 among citizens "gainfully employed," according to figures just issued by the National Bureau of Economic Research. In making public these figures, the bureau reports that they represent an annual increase of 7 per cent for the years beginning with 1921, or a gain of some $27,000,000,000 between 1921 and 1926. The report continues: "No people in the world at any time ever earned such wealth. But the average person 'gainfully employed' may be curious to know what has become of it--both of the great principal and the impressive increase. According to the bureau, the average price of staple goods last year was slightly less than five years ago and the purchasing power of per capita income had risen 36 per cent. That per capita figure--which includes those not gainfully employed--of course is much below the average for those employed. It includes women, children and all other persons who are inactive in the industrial sense. And in 1926 the figure was $770 for the whole Nation, about a third gain over 1921, which explains the figure of 36 per cent...."

CANADIAN COW RECORD An Ottawa dispatch to the press of March 13 says: "The Canadian record for production of both milk and butterfat by a two-year-old Jersey heifer in a 305-day test, and the world's record for butterfat production in this class, have been shattered by Fairleigh St.Mawes Retta, owned by the Dominion Experimental Farm Station in the Okanagan Valley, B.C., which produced 11,606 pounds of milk yielding 648.78 pounds of butterfat."

FRENCH FARMERS ORGANIZE An Associated Press dispatch March 13 from Paris states that farmers of France soon expect to speak and act as a unit in telling the Government exactly what they want. They are organizing a national system of chambers of agriculture under the direction of the Government, with a central chamber to act with authority. The plan has been hanging fire for 50 years, the report says.

Section 2

Arboretum

In an editorial on the passage of the national arboretum bill, The Florists Exchange for March 12 says:"....Of course the work thus far done is to the ultimate possibilities of the project only as the acorn is to the oak. This fact does not lessen its value, however, nor the measure of gratitude that is owing to those who have carried the banner and done the lion's share of the splendid work in behalf of the arboretum."

British Tobacco Taxes

A London dispatch to the press of March 12 says: "Additional taxation on tobacco, teas and wines will, it is thought, be adopted by the British Chancellor of the Exchequer to meet the deficit of about 25,000,000 pounds expected in this year's financial statement. Nearly 76 per cent of the present price of tobacco in Britain is tax and for this reason prices are high. Notwithstanding this, however, profits of tobacco companies have grown, a fact largely attributed to the great increase in smoking among women and to the effects of wide advertising...."

Building Construction

In a study made in 274 cities by the Bureau of Labor Statistics of the United States Department of Labor it has been found that in 1925 64.7 cents out of every dollar expended for new building construction were spent for residential buildings, including hotels, as against 35.3 cents spent for new nonresidential buildings. One-family dwellings made up 41.7 per cent of the total number of new buildings and 28.2 per cent of the total building costs. Two-family dwellings constituted 6.9 per cent of all buildings and 8.5 per cent of all costs. Apartment houses, each built to accommodate three or more families, were 3.0 per cent of all new buildings but made 20.6 per cent of all costs. One-family dwellings had an average cost each of $4,567, two-family dwellings $8,369, and apartment houses $46,928. The 342 hotels had an average cost of $502,333 each. Based on the costs of material and labor, the bureau found that in 1925 building in general cost two and one-eighth times as much in 1925 as in 1914. Permit figures are available for 130 cities back to 1914. In these cities two and one-fourth times as much building was done in 1925 as in 1914. This means physical construction, not valuation. In the same interval population in these cities increased 24 per cent. It is believed that the building shortage of the war period has more than been made up with more new building being done than necessary to meet normal needs, this conclusion being based on the assumption that the building done in 1914 supplied the needs of that year.

Canadian Cattle Ocean Rates

"Ocean rates on (Canadian) cattle have been reduced from $20 to $15 a head. One of the chief causes of the reduction was that American Government boats were carrying cattle to European ports at the latter figure. Another was that prohibitive rates were killing the cattle shipping business. No doubt, still further reductions could be made. The rate before the war on butcher cattle was $8.00. The Government Merchant Marine should give a $12 rate a try out." (Grain Growers' Guide, Winnipeg.)

Cotton Production

An editorial in The Farm and Ranch for March 5 says:"Latest estimates of the world cotton crop indicate approximately 29,000,000 bales, somewhat less than 2,000,000 under 1925-26 crop....Mass action is plainly out of the question, so it comes home to every individual to analyze his own position, forecast his own future, and make his plans accordingly. Two plain and well-established principles are involved, and nobody can interpret those principles in terms of the individual farmer's situation except himself....His own judgment and his own willingness to put them into effect must and will govern if he is to become independent of catastrophic price slumps and shackling indebtedness. First, food and feed crops should take precedence. Second, the money crops--and all others--must be produced at the lowest possible unit cost. Upon the willingness of the individual to take the initiative in practicing these principles, his determination to secure and use the best available information in applying them, and upon his willingness, if necessary, to undergo temporary hardship for the sake of ultimate success, rests the solution of each man's problem."

Five Cent Loaf Return

A Kansas City dispatch to the press of March 12 reports that the five cent loaf of bread came back to Kansas City March 11 after an absence of fifteen years. The loaf weighs twelve ounces and has been selling at six cents.

Hines on Cotton Industry

An Atlanta dispatch to the press of March 12 says: "Merchandising is the besetting problem of the cotton textile industry, Walker D. Hines, president of the Cotton Textile Institute, told leaders of the industry at Atlanta, March 11. He emphasized that difficulties did not lie wholly in operation and that mill management in so far as he could see was on a highly efficient plane. Stressing a thoroughgoing cost accounting system, he urged this innovation as a vital necessity in the plan to place the industry on a sound basis...."

Potato Crop

The potato crop ranks sixth in value and eighth in acreage in the United States, the Bureau of Railway Economics announces after completing a survey of agricultural products. As a table food, however, potatoes are second only to the wheat crop. In the last fifty years the potato crop has grown with the population but at a somewhat faster rate. The per capita production was 2.98 bushels for the period 1870-79 and 3.58 bushels for the period 1920-25. (Press, Mar. 10.)

Rayon Combine Predicted

The Journal of Commerce for March 10 says: "The time is not far distant when the rayon industries of the world will be mapped out 'like a butcher's chart' and allotted to certain groups of producers, said Jacques Roscott, associated with Irving Horowitz of New York, yarn importers and dealers, who just returned from a three months' tour of rayon and 'synthetic wool' markets in Italy, England, Germany, Switzerland, Holland, Belgium and Czecho-Slovakia. 'The rayon consortium recently concluded by Courtauld, Glanzstoff and Snia Viscosa has for its purpose not only an international agreement on manufacturing and commercial methods, but is apparently the nucleus of a world-wide agreement which will serve to allot foreign markets and maintain prices at levels which the producers think advisable,' said Mr.Roscott, who is agent here for the Koel-Rottweil firm in Germany, recently

merged with the I.G.Farben-industrie, the dye cartel, and for the Soc. An. Seta Artificiale Varedo, with rayon plants at Ceriano, Aquila, Magenta and Varedo, Italy...."

Sugar Beets in Michigan

An editorial in The Michigan Farmer for March 5 says: "As we plan the crop program for 1927, careful consideration should be given to the place which sugar beets will occupy....The United States now consumes annually over five million tons of sugar. Of this amount Michigan, although the second State in the production of this crop, produces but a relatively small fraction of the sugar used by our people. Following the experiences of last year, when weather conditions became such a large factor in the handling and the returns from this crop, farmers are apt to give it less consideration than it deserves. The fact that Michigan has the right type of soils, favorable climatic conditions, ample factory capacity, and the farmers can know ahead the price they are to receive, makes the beet crop one that could be accorded a larger place in the program on a large number of farms. At least, this is the conclusion reached by a number of thoughtful farmers. By increasing the attention given to sugar beets, these men feel they automatically improve the situation with regard to those other crops which are produced in excess of American demands. Thus, two objects are gained--we maintain the gross production of our farms, and, at the same time, relieve the pressure of supplies on the markets of other crops by the substitution of sugar beets."

Veteran Loans

The press of March 11 says: "The Veterans' Bureau is prepared to make loans to veterans on adjusted compensation insurance certificates despite the fact that an item of $25,000,000 for this purpose in the general deficiency bill failed in the Senate filibuster, President Coolidge was informed March 10 by Brig. Gen. Frank T. Hines, director of the bureau. Director Hines informed the President that with funds to be received from insurance premium receipts, which would amount to approximately $3,000,000, and by sale of about $2,000,000 Liberty bonds which the bureau owns, sufficient funds would be provided to make loans to veterans. If this amount were found insufficient to meet the demands, General Hines is prepared to make arrangements with the Secretary of the Treasury to dispose of other investments of the bureau, which will be ready on April 1 to start making these loans...."

Wool and Cotton Statistics Desired by Britain

A London dispatch to the press of March 11 says: "The London Times Trade and Engineering Supplement in its issue of February 26 published the letter of a Bradford correspondent, dealing with the need for organized collection of statistics for the woolen and worsted industries. The writer says that the idea of organizing the collection of statistics on more thorough and systematic lines appears to have taken hold of those engaged in the cotton and wool textile industries, who are evidently impressed by the manner in which the authorities in the United States of America, by means of a regular service of industrial statistics, are able to ascertain definitely to what extent any particular industry has developed or lost ground over a series of years...."

Section 3
MARKET QUOTATIONS

Farm Products For the week ended March 12: Top price on hogs at Chicago today was $12.25 or 25¢ higher compared with a week ago. Fed steers were 25¢ to 40¢ higher all grades and weights sharing the advance.. Fat she stock advanced 25¢. Stockers and feeders remained steady. Vealers were mostly $1 lower. Fat lambs and yearling wethers closed 15¢ to 25¢ higher. Sheep were steady.

Butter markets were irregular during the week ending March 12. Firmness apparent at the opening was largely dissipated by the close. Early advances were nullified by later declines. Foreign butter was an important factor with additional arrivals and anticipated further shipments dominating the situation. Closing prices on 92 score: New York 50¢; Chicago 49 3/4¢; Philadelphia 51¢; Boston 51 1/2¢.

Cheese markets were somewhat steadier and prices on the cheese boards at Plymouth, Wis., advanced 1/4¢ on March 11. Trade continued quiet but was slightly improved. Conditions are now more favorable for increased production, but the output is still below a year ago. Wholesale prices at Wisconsin primary markets March 11: Flats 22 1/2¢; Single Daisies 22 1/2¢; Longhorns 22¢.

Potatoes ranged 5¢ to 50¢ higher. Maine sacked Green Mountains $2.50 to $3.10 per 100 pounds in eastern cities; bulk stock $2.05 to $2.15 f.o.b. Presque Isle. New York and midwestern yellow onions closed 50¢ to $1.25 higher at $3.50 to $4 sacked per 100 pounds in consuming centers; $3 f.o.b. Rochester, New York and dealers asking $3.75 to $4 f.o.b. West Michigan. New York and Michigan Rhode Island Greening apples slightly lower in Chicago at $4.25 to $4.75 per barrel; Baldwins $3.50 to $4.25. Florida strawberries 30¢ to 50¢ quart basis in city markets.

Average price of middling spot cotton in 10 designated markets declined 22 points during the week, closing at 13.64¢ per lb. March future contracts on the New York Cotton Exchange declined 24 points, closing at 13.86¢ and on the New Orleans Cotton Exchange they declined 23 points, closing at 13.89¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar.12,	Mar.11,	Mar.12,1926
20 Industrials	160.73	160.18	153.03
20 R.R. stocks	127.39	127.52	111.21

(Wall St. Jour., Mar. 14.)

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